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BOARD MEETING
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CALEPA BUILDING
1001 I STREET
2ND FLOOR
CENTRAL VALLEY AUDITORIUM
SACRAMENTO, CALIFORNIA

TUESDAY, MAY 16, 2006

9:30 A.M.

TIFFANY C. KRAFT, CSR, RPR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 12277

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

BOARD MEMBERS

Ms. Margo Reid Brown, Chair

Mr. Jeffrey Danzinger

Ms. Rosalie Mul

Ms. Cheryl Peace

Mr. Gary Petersen

Ms. Patricia Wiggins

STAFF

Mr. Mark Leary, Executive Director

Ms. Julie Nauman, Chief Deputy Director

Ms. Holly Armstrong, Staff Counsel

Mr. Jerry Berumen, Staff

Mr. Michael Bledsoe, Staff Counsel

Mr. Elliot Block, Staff Counsel

Ms. Teresa Bober, Staff

Ms. Wendy Breckon, Senior Staff Counsel

Mr. Mark de Bie, Branch Manager, Permitting & Inspection
Branch

Mr. Mitch Delmage, Manager, Waste Tire Program

Ms. Sally French, Staff

Ms. Judy Friedman, Branch Manager, Organics & Resource
Efficiency

Ms. Jennine Harris, Executive Assistant

Mr. Mike Leao, Supervisor, Plastic Recycling Technologies

APPEARANCES CONTINUED

STAFF

Mr. Howard Levenson, Deputy Director, Permitting and Enforcement Division

Mr. Jon Myers, Assistant Director, Public Affairs Office

Mr. John Smith, Branch Manager, Recycling Business Assistance

Mr. Scott Walker, Branch Manager, Remediation, Closure, & Technical Services Branch

ALSO PRESENT

Mr. Rich Archdeacon, LEA, San Jose

Ms. Francisca Cava, National Geographic Society

Mr. Ford Cochran, National Geographic Society

Mr. Tom Faust, Redwood Rubber

Mr. Chuck Helget, Allied Waste

Mr. John Holman, Redwood Rubber

Ms. Beverly Kennedy, Olgivy

Mr. Mark Murray, Californians Against Waste

Mr. George Larson, Illionois Toolworks

Ms. Andrea Lewis, Assistant Secretary, Cal/EPA

Mr. Terry Leveille, TL & Associates

Dr. Gerald Lieberman

Mr. Paul Lineberry, Zanger Road Resources Management Limited

Mr. Scott Smithline, Californians Against Waste

Mr. Chuck White, Waste Management

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 PROCEEDINGS

2 CHAIRPERSON BROWN: Good morning. We'd like to
3 call this meeting to order and ask everybody to please
4 take a seat. Jennine, could you call the roll?

5 EXECUTIVE ASSISTANT HARRIS: Mulé?

6 BOARD MEMBER MULÉ: Here.

7 EXECUTIVE ASSISTANT HARRIS: Peace?

8 BOARD MEMBER PEACE: Here.

9 EXECUTIVE ASSISTANT HARRIS: Petersen?

10 BOARD MEMBER PETERSEN: Here.

11 EXECUTIVE ASSISTANT HARRIS: Wiggins?

12 BOARD MEMBER WIGGINS: Here.

13 EXECUTIVE ASSISTANT HARRIS: Chair Brown?

14 CHAIRPERSON BROWN: Here.

15 EXECUTIVE ASSISTANT HARRIS: Danzinger?

16 BOARD MEMBER DANZINGER: Here.

17 CHAIRPERSON BROWN: Thank you.

18 We'd like to remind people with cell phones or
19 PDAs to please turn them to the vibrate mode. Or if you
20 intend to speak, to turn them off completely when you're
21 near the microphones. There are speaker slips located at
22 the rear of the room on the table.

23 Due to the length or anticipated length of the
24 meeting, we'd like to let speakers know we are going to
25 hold comment today on Agenda Items two minutes for public

1 speaking.

2 Closed session will be held today at the
3 conclusion of our regular Board agenda. And we'd like to
4 stand and do the Pledge of Allegiance. Gary Petersen,
5 could you lead us in the pledge today?

6 (Thereupon the Pledge of Allegiance was
7 recited in unison.)

8 CHAIRPERSON BROWN: Thank you.

9 Do we have any ex partes to report?

10 BOARD MEMBER MULÉ: Up to date, Madam Chair.

11 BOARD MEMBER PETERSEN: Madam Chair, yes. I
12 talked to Chuck White this morning and Leslie Mintz, and
13 I'm up to date.

14 CHAIRPERSON BROWN: Thank you.

15 BOARD MEMBER PEACE: I just talked a little bit
16 to Leslie Mintz. Otherwise, I'm up to date.

17 CHAIRPERSON BROWN: Okay. We're up to date.

18 Next thing, due to the length or anticipated
19 length of our meeting, the Board members have decided to
20 defer our monthly Board reports and go directly to agenda
21 items.

22 I do have two quick announcements. We'd like to
23 thank Roger Evans of our IMB staff for setting up our
24 broadcast for our White Papers workshop on April 25th.
25 Roger went above and beyond the call of duty to make sure

1 our meeting was broadcast from a room that does not
2 normally have this function. We appreciate his efforts.

3 Bob Conheim, the Board's Acting Deputy Director
4 of our Sustainability and Market Development Division, is
5 undergoing surgery today. We'd like him and his family to
6 know the Board staff will be keeping him in our thoughts
7 and wishing him a complete and speedy recovery.

8 Now we'll move directly to the Executive
9 Director's Report.

10 EXECUTIVE DIRECTOR LEARY: Thank you, Madam
11 Chair. Good morning, members. Just a very brief report.

12 The Board staff are not only passionate about
13 recycling and waste diversion, they're also passionate
14 about charitable giving. And I want to report to the
15 Board today that the Board staff have been recognized by
16 the State Employees Charitable Campaign with both a gold
17 award for per capita gift, a very high rating, as well as
18 a bronze award for employee participation.

19 Much of the credit goes to, Madam Chair, yours
20 and my own Jennine Harris who chaired the Board's effort
21 in the charitable campaign. So she got out there and
22 rallied the troops and got the terrific participation the
23 campaign has now recognized. So thanks to Jennine and
24 thanks to all the Board staff for their big hearts.

25 And that concludes my report.

1 CHAIRPERSON BROWN: Thank you.

2 Thank you, Jennine.

3 Okay. Any public comment at this time?

4 We will move to the consent agenda. Items 1, 10,
5 and 11 have been put on the consent agenda. Does anybody
6 wish to move any items from the consent agenda? Having
7 heard none, can I have a motion?

8 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
9 the consent agenda.

10 BOARD MEMBER PEACE: Second.

11 CHAIRPERSON BROWN: It's been moved by Member
12 Mulé and seconded by Member Peace. Can we call the roll?

13 EXECUTIVE ASSISTANT HARRIS: Danzinger?

14 BOARD MEMBER DANZINGER: Aye.

15 EXECUTIVE ASSISTANT HARRIS: Mulé?

16 BOARD MEMBER MULÉ: Aye.

17 EXECUTIVE ASSISTANT HARRIS: Peace?

18 BOARD MEMBER PEACE: Aye.

19 EXECUTIVE ASSISTANT HARRIS: Petersen?

20 BOARD MEMBER PETERSEN: Aye.

21 EXECUTIVE ASSISTANT HARRIS: Wiggins?

22 BOARD MEMBER WIGGINS: Aye.

23 EXECUTIVE ASSISTANT HARRIS: Brown?

24 CHAIRPERSON PETERSEN: Aye.

25 We will now move to Item 21 to be heard by the

1 full Board and is being taken out of order in order to
2 facilitate our guest's travel. It will be heard now with
3 the remainder of the agenda items taken up afterwards in
4 numerical order.

5 We'll move to Agenda Item 21, Consideration of
6 Reallocation and Scope of Work of the National Geographic
7 Society as Contractor for the Development of Environmental
8 Educational and Materials in Furtherance of the Education
9 and the Environment Initiative. And that will be
10 presented by Teresa.

11 MS. BOBER: Good morning, Madam Board Chair and
12 Board members. I'm Teresa Bober, for the record, from the
13 Board's Office of Education and the Environment. This
14 item, Consideration of the Reallocation --

15 CHAIRPERSON BROWN: Excuse me. Can you pull the
16 microphone a little bit closer to you? It's difficult to
17 hear you.

18 MS. BOBER: Sorry. Is this fine?

19 CHAIRPERSON BROWN: Yeah.

20 MS. BOBER: This item, Consideration of
21 Reallocation Scope of Work and the National Geographic
22 Society as Contractor for the Development of Environmental
23 Education Materials in Furtherance of the Education and
24 the Environment Initiative is up for your approval today.
25 But first, I would like to introduce Andrea Lewis,

1 Assistant Secretary of Cal/EPA. She will be giving you an
2 overview of EEI and where we are today.

3 CHAIRPERSON BROWN: Good morning. Thank you,
4 Andrea. Welcome.

5 (Thereupon an overhead presentation was
6 presented as follows.)

7 CAL/EPA ASSISTANT SECRETARY LEWIS: We really
8 appreciate the opportunity to be here this morning and to
9 share with you the latest developments with the Education
10 and Environment Initiative as well as this particular
11 aspect of our implementation of the model curriculum. I'm
12 going to provide a brief overview of the EEI, talk about
13 the latest accomplishments also very briefly. We will
14 talk about Heal the Bay, their role and anticipation.
15 Also have an overview of the Environmental Principles and
16 Concepts of the model curriculum plan very brief, as well
17 as more detail about Agenda Item 21, as well as
18 information from National Geographic Society. We will
19 have closing remarks, Q and A, and hopefully conclude all
20 of this in about 30 minutes, recognizing your full agenda.

21 --o0o--

22 CAL/EPA ASSISTANT SECRETARY LEWIS: So I would
23 like to start very briefly in regard to the Education and
24 the Environment Initiative. I know many of you, all of
25 you, have been briefed in regard to this. But for

1 everyone else here, these laws are landmark laws in regard
2 to education about the environment in California schools.
3 The laws that you see up here, AB 1548 and AB 1721, the
4 statutes of 2003 and 2005 require that the California
5 Environmental Protection Agency and the California
6 Integrated Waste Management Board are jointly responsible
7 for implementing the EEI and that we work collaboratively
8 with the Office of the Secretary for Education, State
9 Board of Education, and Department of Education, and the
10 Resources Agency in regard to the implementation of all
11 the mandates specified in the law.

12 --o0o--

13 CAL/EPA ASSISTANT SECRETARY LEWIS: The mandates
14 are these in very brief terms:

15 To develop an education principles and concepts
16 for the environment.

17 Incorporate these Environmental Principles and
18 Concepts into text book adoption criteria in four subject
19 matter areas: Science, history social science, English
20 language arts, and mathematics.

21 To ensure these Environmental Principles and
22 Concepts align with and not duplicate with California's
23 Academic Consent Standards.

24 And to develop a model curriculum for all of
25 those four subject matters areas for K through 12, an

1 unprecedented effort.

2 And lastly, to also align the State's programs
3 with these Environmental Principles and Concepts, a big
4 order that we're looking at. We're currently at phase
5 four of our implementation of the EEI, and that is the
6 development of the model curriculum.

7 --o0o--

8 CAL/EPA ASSISTANT SECRETARY LEWIS: The goal of
9 this particular effort is what we view to be attainable
10 but also far reaching. And that is to bring this model
11 curriculum to every school district in the state of
12 California, large and small.

13 --o0o--

14 CAL/EPA ASSISTANT SECRETARY LEWIS: What is the
15 EEI based on? Well, in accordance with the law, the EEI
16 is based on academic content standards that you see there,
17 instructional materials, including text books, as well as
18 the model curriculum plan which you are going to hear more
19 about this morning from Dr. Jerry Lieberman. All of these
20 elements are really guiding the development of our model
21 curriculum.

22 --o0o--

23 CAL/EPA ASSISTANT SECRETARY LEWIS: I would like
24 to share as well each of these areas in view of the latest
25 accomplishments. The first regards science instructional

1 materials. The Environmental Principles and Concepts were
2 encouraged for inclusion with the science publishers in
3 two ways. First, last year in September through a letter
4 from the State Board of Education as well as the
5 Development of Education encouraging the science
6 publishers to include the Environmental Principles and
7 Concepts. That was later followed up by a presentation I
8 made to the science publishers at a Curriculum Commission
9 meeting January.

10 The importance of this factor is that the
11 instructions to the science publishers were done 30 months
12 ago approximately. And we thought we had missed the
13 science adoption, which is really critical because it
14 comes around every seven years.

15 I would like to share with you -- and I know you
16 can't see this. And it is only because Teresa Bober is
17 sitting as an evaluator, thank goodness, on the
18 instructional materials adopted panel that we were able to
19 see. This is Hart Court Press. And you cannot see this.
20 But Hart Court Press -- and maybe this is not the only
21 publisher -- has included California's Environmental
22 Principles and Concepts in these materials that ultimately
23 would be approved at the end of the year for science. And
24 understand this will not happen again for seven years.

25 Now is it as extensive or comprehensive as we

1 would like? No. But it is there. They did not have to
2 do it. It was not part of the original instruction
3 provided to them by the State Board or the Department of
4 Ed.

5 So we are very excited about this. There are
6 numerous references. Just by this one publisher alone,
7 we're looking at K through 8 materials at this point for
8 science. So that is a very big deal for us to make
9 certain that that actually became incorporated into the
10 science text.

11 The next accomplishment that you may or may not
12 be aware of is that the Department of Education somewhat
13 surprisingly to us in April of this year included as a
14 recommendation to the State Board of Education that the
15 Environmental Principles and Concepts be included in the
16 reading language art framework. And to put that in very
17 simple terms, the frameworks are guidance to teachers and
18 to publishers. But in the law, there is no reference to
19 frameworks at all in regard to the EEI, and it's an
20 essential critical element for teachers as well as the
21 publishers. The Department of Education forwarded the
22 recommendation to the State Board in April. The State
23 Board of Education approved unanimously ten to zero to
24 include the Environmental Principles and Concepts in the
25 reading language art framework.

1 The importance of this in particular was that we
2 believe it's set a precedent for something not required by
3 law, but for all the other frameworks that are going to be
4 updated in the course of that seven-year cycle.

5 The third bullet regards your Office of Education
6 and the Environment. And I have a personal thank you to
7 you for providing great leadership as well as the staffing
8 of that particular office. We are working hand in hand,
9 and the staffing is fully staffed. And it has been of
10 great benefit to us as we move forward in this critical
11 area.

12 The writers, editors, and graphic designers are
13 another element of the development of the model
14 curriculum, and I'm pleased to share with you through the
15 work of the Office of Education and the Environment the
16 mechanism to hire these graphic designers, writers, and
17 editors is coming to fruition. So we anticipate that we
18 are going to have that done very quickly. It's a lot of
19 good work in that area.

20 So ultimately, we have an EEI team. We have
21 formulated that team. We are very comfortable with the
22 Office of Education and the Environment; with Dr. Jerry
23 Lieberman, who is our principle consultant and his team
24 that came on board as a result of a Request for Proposal
25 that I know you're aware of; Heal the Bay, which you'll

1 hear more about From Leslie Mintz; as well as
2 prospectively working with the National Geographic
3 Society, and you'll hear more about that this morning.

4 --o0o--

5 CAL/EPA ASSISTANT SECRETARY LEWIS: So it is my
6 pleasure now to introduce to you Dr. Gerald Lieberman who
7 is our principal consultant who will be going through very
8 quickly but comprehensively the Environmental Principles
9 and Concepts and the model curriculum plan. Thank you.

10 DR. LIEBERMAN: Good morning, Madam Chair, Board
11 members. Pleasure to address you this morning. I wanted
12 to give you a quick summary and overview of the
13 Environmental Principles and Concepts and tell you how
14 they fit into our plan for developing the model
15 curriculum.

16 --o0o--

17 DR. LIEBERMAN: We have focused the development
18 of the Environmental Principles and Concepts on the
19 interactions between human social systems and natural
20 systems. The significance of that is that the law
21 required that the Environmental Principles not duplicate
22 or conflict with existing academic content standards in
23 either science or history social science. So we had to
24 look for the unique place where we could work on the
25 Environmental Principles and Concepts. And through a

1 tremendous amount of work with a wide range of experts and
2 participation from many different agencies, we managed to
3 develop five key principles. In simple terms -- and I
4 don't want to burden you with the technical terminology.
5 I'll show you one slide of that very quickly. But we
6 developed five principles and concepts.

7 --o0o--

8 DR. LIEBERMAN: The first principle, people
9 depend on natural systems for food, forest products, water
10 purification that occurs in wetlands and many examples
11 like that.

12 Two, people can influence natural systems. Dams
13 that control and effect water flow are an example of that.

14 Principle three, natural systems change in ways
15 that people benefit from and can influence. For example,
16 the nutrients deposited on farmlands when rivers flood in
17 their natural cycles.

18 Principle four, there are no permanent or
19 impermeable boundaries that prevent matter from flowing
20 between systems. For example, fertilizers and pesticides
21 used on lawns can enter the groundwater and effect our
22 drinking water.

23 And principle five, decisions affecting resources
24 and natural systems are complex and involve many factors.
25 Numerous stakeholders as well as economic, legal, and

1 political factors must be considered in making decisions.

2 These simple versions of the principles and
3 concepts were derived from over a year's work to develop
4 the Principles and Concepts with 110 technical experts
5 from State and federal agencies, environmental
6 organizations, education groups.

7 --o0o--

8 DR. LIEBERMAN: I just wanted to show you the
9 depth of the technical detail in the actual principles and
10 concepts.

11 --o0o--

12 DR. LIEBERMAN: I'm not going to go through it
13 all. They are not as simple as the summary ones that we
14 would want students at the younger grades to learn. These
15 levels of details are our goal for learning for 12th
16 grade.

17 --o0o--

18 DR. LIEBERMAN: Taking those Principles and
19 Concepts to the next level, getting them into the
20 classrooms is, of course, really the goal of the
21 educational environment. We designed a model curriculum
22 plan working with an Interagency Committee that reviewed
23 and guided the development of this model curriculum plan
24 which was approved last spring. The participants in that
25 were of course the Waste Board, California EPA Office of

1 the Secretary, the Resources Agency, the Governor's
2 Secretary of Education, representatives of the State Board
3 and the Curriculum Commission, and of course the
4 Department of Education.

5 --o0o--

6 DR. LIEBERMAN: Ultimately, the goal to produce
7 the model curriculum is to develop something that teaches
8 those Environmental Principles and Concepts in concert
9 with the State's adopted academic content standards. That
10 is truly crucial to us. It is crucial in the State Board
11 of Ed. It is crucial to all the education agencies in the
12 state that we tie the Principles and Concepts to the
13 teaching of the standards. And that's what you'll see
14 throughout the design of the model curriculum plan.

15 --o0o--

16 DR. LIEBERMAN: Because the goal for this model
17 curriculum plan is review and approval by the Curriculum
18 Commission and ultimately approval by the State Board of
19 Education, our target is in 2008.

20 --o0o--

21 DR. LIEBERMAN: Importantly, Andrea showed you
22 one quick page. Unfortunately, you can't see the great
23 detail, but I'm sure you're all aware of the quality of
24 instructional materials has been growing over the last
25 decade and a half as the State's push towards

1 standards-based education and the quality of presentation
2 of materials has grown dramatically. We must in
3 developing this model curriculum match or exceed the
4 quality of the materials that the State Board of Ed would
5 use when they go through adoption. So that is our target,
6 producing something that's at a minimum as good, but we
7 hope much better than what the adopted instructional
8 materials are.

9 --o0o--

10 DR. LIEBERMAN: That model curriculum will
11 produce a K through 12 continuum that helps students
12 achieve both the standards-based goals and the
13 Environmental Principles and Concepts.

14 --o0o--

15 CAL/EPA ASSISTANT SECRETARY LEWIS: The Office of
16 Education and the Environment is proposing to contract
17 with the National Geographic Society. This contract will
18 allow OEE and our EEI consultant to work with the Society
19 in identifying and in some cases creating new images and
20 maps. The Society will also provide preexisting videos
21 from Wild Chronicles. These videos will be further
22 developed to add questions relating to the video for
23 various grade levels.

24 The Society will help us create a visually
25 interesting and excellently designed graphic

1 representation of our model curriculum. The Society is
2 here today to discuss the contractor and show you some of
3 the types of materials they will be providing. Ford
4 Cochran is the Director of Education and mission programs
5 online for the Natural Geographic Society and has helped
6 to shape its website. Mr. Cochran has served as a
7 producer and the first education editor for the site and
8 is now the director of content, development, and
9 programming. This award-winning website is visited
10 approximately 10 million times each month. Here today
11 from Washington, D.C. is Mr. Ford Cochran.

12 MR. COCHRAN: Thank you, Jerry. And thank you,
13 Teresa and thank you so very much to the Board.

14 CHAIRPERSON BROWN: Thank you. Welcome to
15 California.

16 MR. COCHRAN: Very pleased to be here. And I
17 come accompanied by a colleague of mine, Francesca Cava,
18 who will speak in a few moments. Many of you may know
19 Francesca. She has worked here in the state of California
20 for many years, is a long time collaborator of National
21 Geographics. She has worked with NOAA, is formerly the
22 Director of National Marine Sanctuary Network and very
23 closely involved with teachers and students in teaching
24 them about the seas and the environment.

25 My own interest in this initiative is personal as

1 well as professional. Before joining the website staff of
2 National Geographic, I was a member of the science staff
3 for National Geographic Magazine, have written for the
4 magazine, and then was a Professor of Environmental
5 Science and Geology at the University of Kentucky. So
6 this is a personal mission as well as a mission for
7 National Geographic.

8 We are here because we think this represents --
9 we know it represents a singular effort, the most sweeping
10 environmental education effort that's ever been undertaken
11 in this country, and California is going to lead the
12 nation. And we would like to be a part of that.

13 --o0o--

14 MR. COCHRAN: So you probably are familiar with
15 National Geographic's media. We produce a magazine.
16 You've probably seen it. We are known the world around
17 for producing extraordinary maps, the best maps in the
18 world. Photographically, for a professional photographer,
19 contributing to National Geographic, be a staff
20 photographer or regular contributor, that is the pinnacle
21 of the profession.

22 And our documentary film work has been recognized
23 by more Emmy awards than any other non-fiction documentary
24 production teams on earth. It is seen around the world.
25 Our magazine is distributed in every country on earth in

1 multiple language editions. And we have won pretty much
2 every award that can be earned, from national magazine
3 awards to the Emmys that I mentioned and others in every
4 medium in which we work.

5 We are trusted by and admired by teachers,
6 parents, kids, and teens. There are larger volume
7 educational publishers out there. But in a recent survey
8 we conducted when we were launching new educational
9 materials ourselves in the classroom we asked teachers
10 what brand they admire the most, and ours is the brand
11 that teachers most admire and trust in their classrooms.
12 And our expertise spans among many disciplines, also K-12
13 education.

14 --o0o--

15 MR. COCHRAN: In addition though to our media, we
16 are a mission-driven organization. Our mission comes
17 first. We exist to increase and diffuse geographic
18 knowledge. We've been around for more than a century
19 doing that. By increasing it, we mean we give research
20 grants, more than 8,000, we have given in our history to
21 explore the world to do original scientific research to
22 understand it better. And we diffuse geographic knowledge
23 by sharing the stories that we find, the images we
24 collect, the videos we produce, with the world so we can
25 teach people about the things we see.

1 In the new millennium, we looked at our mission
2 and adopted it just a little bit to an important issue
3 that confronts the world today, which is conservation of
4 the natural resources that we all share. We're here to
5 explore, explain, and help sustain our planet. And some
6 of the ways we've done that within our mission programs
7 group where I work is by not only helping to create the
8 U.S. natural geography standards which align perfectly
9 with the core content, the Principles and Concepts of
10 California EEI, but also by making free classroom
11 materials that we distribute to our audiences. Half of
12 that 10 million person audience and the 10 million visits
13 we receive a month to our website, a third of those are
14 students and about 15 percent are teachers. You throw in
15 a few parents who are there to help their kids, we are
16 reaching lots and lots of teachers and students with the
17 materials that we make available for the classroom.

18 We back up what we do with teacher professional
19 development in all 50 states and disseminated nationally
20 with in-person workshops and online. And in particular,
21 we have a long standing relationship here in California
22 for nearly 20 years with the California Geographic
23 Alliance, which has trained many thousands of teachers
24 across the state.

25 --o0o--

1 MR. COCHRAN: So for us, as I mentioned, this
2 represents a unique opportunity and I think a natural
3 partnership. We are bringing everything we can to the
4 table for this initiative. And we're doing it at the
5 lowest possible costs, the lowest cost that we can
6 achieve. We're not looking to profit by doing what we're
7 doing here. We're making photographs, maps, videos, and
8 posters available at far below the costs of the
9 acquisition of those materials. We're bringing our
10 expertise to the table, not just in these content areas
11 which we touched upon by the EEI, but also in presentation
12 and in what will be the next very important phase, which
13 is teaching teachers how to use these materials,
14 motivating them to choose to.

15 We have marketing channels, the newsletters we
16 send to teachers, the workshops that we present to
17 teachers, the conferences that we go to, and we use all of
18 them at our disposal to let teachers know in California
19 and nationwide about what's happening here to encourage
20 them to adopt this model curriculum and to bring it to the
21 students in their classroom.

22 --o0o--

23 MR. COCHRAN: So what are we bringing to the
24 table? Well, they're photographs, from photographs of
25 wetlands to pollution here in Nova Scotia, a creek near a

1 steel refinery to wildlife.

2 --o0o--

3 MR. COCHRAN: Cuban alligator -- or is it a
4 crocodile? One of those two. To the Anaconda Desert,
5 copper production, a huge copper mine in the Chilean
6 desert.

7 --o0o--

8 MR. COCHRAN: The entire world.

9 --o0o--

10 MR. COCHRAN: Our photographs --

11 --o0o--

12 MR. COCHRAN: -- will help to illustrate this
13 curriculum and to make it unique.

14 --o0o--

15 MR. COCHRAN: And in addition to the material
16 that is in our archives that we're bringing to the table
17 to provide to support the curriculum --

18 --o0o--

19 MR. COCHRAN: -- we're also --

20 --o0o--

21 MR. COCHRAN: -- going to provide original
22 materials --

23 --o0o--

24 MR. COCHRAN: -- from an archive and the new
25 personal work, original work for the California EPA EEI by

1 Kip Evans who is a photographer we've worked with for
2 many, many years here in California and has worked with
3 Francesca, and he will be shooting the material at the
4 beckon call basically of the curriculum development team.

5 --o0o--

6 MR. COCHRAN: His work is extraordinary.

7 --o0o--

8 MR. COCHRAN: So we're bringing photographs, a
9 total of more than 2,000 photographs to the table to
10 illustrate the effort, so there will be something for
11 every new lesson plan that is developed in support of
12 this.

13 --o0o--

14 MR. COCHRAN: Maps. We think it's very important
15 to see where things are know, what's where, why it's
16 there, and why it matters. It's an important part of
17 understanding how we influence the environment and how it
18 influences us. We're going to produce maps of the world,
19 of North America, of California, customized to different
20 grade levels to call out the essential themes of the EEI
21 so that all year long in classrooms across the state
22 students and teachers can look at these issues and be
23 thinking about them both when they're studying these new
24 lessons when they're created and when they're not so they
25 understand how it connects to the rest of the things

1 they're doing in their lives.

2 --o0o--

3 MR. COCHRAN: We'll produce regional maps and
4 also produce schematic maps that focus on essential
5 issues. We're going to draw from the archive of maps we
6 have created so we can do this at way, way, way below the
7 cost of the original production if we had to produce
8 these. They'll be made available to the State so the
9 State can reproduce as many as are needed to reach
10 students and teachers for many, many years with this.

11 --o0o--

12 MR. COCHRAN: And we'll also be producing and
13 providing black line masters of the world, the continents,
14 North America --

15 --o0o--

16 MR. COCHRAN: -- states and countries that --

17 --o0o--

18 MR. COCHRAN: -- can be used by students and
19 teachers in exercises in support of the EEI.

20 --o0o--

21 --o0o--

22 MR. COCHRAN: In addition, one more thing I'll
23 mention is that we have a long standing partnership with
24 the California-based geospatial technology leader ESRI,
25 and through this relationship we approached them and asked

1 if they would be willing to do something with the State
2 for National Geographic. They're going to be providing
3 staff expertise, exercises, and free software to support
4 the initiative, all of this at no cost to the state of
5 California.

6 Video, we produced a series called Wild
7 Chronicles that represents distillations of the best of
8 National Geographic that are exactly the right length for
9 motivating students in the state, hosted by Boyd Matson,
10 the long time host of our Explorer series, a favorite
11 among adults and kids alike.

12 We are going to provide 60 video segments from
13 Wild Chronicles. And these will be versioned with guiding
14 questions that will be tailored both for -- well, actually
15 for elementary, early elementary, elementary and middle
16 school, and high school students so they call out the
17 essential relationship to the EEI guiding principles and
18 help students to understand and discuss those things
19 either as a cap stone resource as one finishing a set of
20 curricular units or as something to help to motivate them
21 when we begin. We have with us an example of one of those
22 videos.

23 Really an introduction to them that gives us a
24 sense of the scope of what is in these. We'll be
25 tailoring a special introduction to these just for the

1 EEI.

2 (Thereupon a video clip was presented.)

3 MR. COCHRAN: And you won't need all that. We
4 will end as with the maps and as with the photographs.
5 The cost of acquisition and production of these videos
6 with just the videos would greatly exceed the entire
7 budget for our participation in this initiative. But we
8 are making them available at cost to California, the cost
9 of reversioning them simply for the State's use. And then
10 you'll be able to freely distribute them and reproduce
11 them across the state for many, many years in support of
12 the initiative.

13 --o0o--

14 MR. COCHRAN: And then finally, last resources,
15 we will be producing posters to accompany every curriculum
16 set to go on walls in every classroom in California to
17 again help earn teacher buy-in, raise awareness of the
18 initiative. We'll be producing style guides and design
19 templates to make it look as professional and appealing as
20 possible to make it attractive and easy for teachers to
21 want to use in their classrooms.

22 And then as I mentioned before, we will
23 disseminate this via every mechanism at our command, get
24 the word out about it so teachers in the state and
25 ultimately nationwide learn that California is leading the

1 way.

2 Now I'd like to introduce Francesca Cava.

3 --o0o--

4 MS. CAVA: Thank you.

5 I think you've seen some of the fashion and some
6 of the beauty that the Geographic brings. But behind that
7 are people. And people make all the difference in the
8 world. There's 1500 people in Washington, D.C. and around
9 the country and around the world that are dedicated to the
10 Geographic, to providing this beauty, this knowledge, this
11 science, this education, the sustainability. I think
12 that's really something you can't discount. It's going to
13 be a crucial part of this program.

14 I think also that you'll note we're not really
15 charging you the full cost of people. There's hundreds of
16 hours just getting us prepared for what we do at all
17 levels, from Terry Garcia, Barbara Chell, the kinds of
18 people, the executive people, the best people in the world
19 will be working on this. And you have their ears and
20 minds I think in something that's truly unique.

21 The Geographic sees this as a major opportunity
22 for us too, because if we can't -- the Geographic is the
23 Geographic, but there is certain limitations in terms of
24 what it can do. It cannot do the kind of far reaching
25 environmental education that is being proposed here in the

1 state of California, the best in the world where it should
2 be the best in the world. We are truly committed, and I
3 guarantee you that you will have the people behind you in
4 this case.

5 --o0o--

6 MS. CAVA: In conclusion, I think the Geographic
7 is an expert in doing a lot of things, but we feel that
8 this is a time to use our expertise in a fairly phenomenal
9 endeavor, this partnership. And I should let you know
10 also, the Geographic is kind of a unique organization. It
11 doesn't actually go out and work with other people. In
12 this day and age when we say partnership, partnership,
13 partnership, there's a lot of rhetoric and not a lot of
14 doing. And this is a case where we believe we make
15 public/private partnership a reality. We have a unique
16 expertise. There is a unique opportunity. This is the
17 time we can bring both together and be the best for
18 everybody.

19 And of course, we wouldn't be here without some
20 of the best people that you're talking with this morning.
21 And Heal the Bay, of course, has been -- brought us to the
22 table as well as our State partners, and we're thrilled to
23 be working with them. So I want to make sure you
24 understand the face of the Geographic. It's more than
25 just pretty pictures.

1 And now Leslie.

2 MS. MINTZ: We don't need pictures. Good
3 morning, Board members. I'm Leslie Mintz. I'm the
4 Legislative Director of Heal the Bay. I've been at Heal
5 the Bay for ten years, first as the grant writer and then
6 as Heal the Bay's attorney and legislation person.

7 And we are delighted to be here today. I wanted
8 to first and foremost thank this Board for their
9 unwavering support of this initiative. It is a visionary
10 initiative, and you are the champions. No question. And
11 I hope that after today, each and every one of you truly
12 feels that your individual legacy is this program is a
13 tremendous contribution as public servants. And I think
14 you all should be very proud.

15 We are very grateful for all of your help.
16 Several of you up there have attended meetings. Cheryl
17 Peace was there at the inception of this effort. Rosalie
18 and Mark Leary have trekked to funding meetings. All of
19 you have participated in some way, and we are very
20 grateful.

21 We are also grateful to the staff of the
22 Integrated Waste Management Board. And I want to in
23 particular mention Mark Leary who has been steadfast in
24 his support of this initiative and acknowledge his
25 tremendous contribution of time, dealing with all the

1 small things that come up, little and big, as well as the
2 OEE staff whom we're delighted to work with. And most
3 recently, the Integrated Waste Management Board attorneys,
4 Mr. Block and his cohorts in the audience there. As you
5 can hear, if you have two entities like the State and
6 National Geographic who are not used to partnering, to get
7 them to agree on partnering was no small feat. So we're
8 very grateful for all of their assistance.

9 Heal the Bay, as some of you may know, in 1985
10 was conceived to protect people and marine life and work
11 on Southern California coastal waters in particular.
12 We've since expanded our reach to make it safe and healthy
13 again.

14 We have a long and distinguished history in
15 educational programs as well as scientific endeavors. We
16 have statewide education programs you may know such as the
17 Beach Report Card, Coastal Cleanup Day. We also have more
18 local education efforts, most recently with our aquarium
19 under the Santa Monica Peer. We have an award-winning Key
20 to the Sea Program that brings children to the beach and
21 also provides teacher with curricula.

22 So we have a lot of involvement with education,
23 and that was the impetus for our working with Fran Pavely
24 to sponsor AB 1548. Initially, we intended to address the
25 lack of ocean education materials specifically. And once

1 we started looking at the state educational system, we
2 realized that it was really -- there was a need to look at
3 comprehensive environmental education material in our
4 state schools. So that was sort of the origin of our
5 involvement.

6 Since then, I wanted to let you know that our
7 organization has made a commitment from the highest levels
8 down to reorganize our very mission and prioritize our
9 involvement in implementing this important law. We have
10 Board Subcommittees now formed and many of you have met
11 Board members that have worked for us in various
12 capacities. We have also reassessed and redone our
13 internal strategic plan. And almost all of my personal
14 time now is dedicated to implementation of this
15 initiative. So as an organization, we are fully committed
16 to assisting the State with implementation of this
17 program.

18 This is the most single important environmental
19 education initiative in California's history and probably
20 in the nation. It is a national model. It is an
21 incredible opportunity to institutionalize environmental
22 education in all schools, 6.3 million children in
23 California, one of the largest groups of students in the
24 United States.

25 It is unprecedented in terms of its State support

1 both from the Integrated Waste Management Board and your
2 budget allocations. There are also other sister agencies
3 and departments that have and will continue to step up to
4 the plate and help fund this effort and give their
5 expertise to this effort.

6 It has comprehensive stakeholder involvement, as
7 you've heard from Dr. Lieberman. And it is now I think
8 replete with some of the most renowned international
9 experts on the topic of environmental education anywhere.

10 It also has -- and I can speak to this as a
11 nonprofit organization -- statewide nonprofit
12 environmental education organization support. We have
13 gone and gotten ancillary grants to do regional outreach
14 to different nonprofit organizations to help build
15 capacity for them to understand what the Environmental
16 Principles and Concepts mean to them and in terms of
17 helping them align for the future. Dr. Lieberman and his
18 team have recently completed the world tour of something
19 like eight or nine different regional workshops in three
20 weeks and I think spoken to over 300 organizations. So
21 you really do have the full sweep of people on board for
22 this.

23 Funders also recognize the magnitude of this
24 effort. And Heal the Bay in particular has been working
25 to bring the funding community to the table for the next

1 phase of implementation, which will be costly, and as per
2 our earlier estimates, somewhere upwards of \$30 million.
3 Nonprofits traditionally do not have -- nonprofit private
4 granting institutions traditionally do not have mechanisms
5 to make grants to the State. And it's going to take a
6 nonprofit partner like a Heal in the Bay. In the same way
7 that National Geographic is uniquely suited to deliver
8 content, Heal the Hay is uniquely suited to deliver
9 confidence to the community, accountability mechanisms,
10 and mechanisms for assistance to the State.

11 In conclusion, I would like to leave you with the
12 wonderful news that as of two weeks ago the large and
13 world renowned financial foundations, the Packard
14 Foundation and Annenberg Foundation, have agreed to host a
15 joint funding conference for the purposes of funding the
16 EEI, and that is something that we will work forward to
17 working on with you as Board members. You certainly will
18 need to be involved at that level and for that kind of an
19 effort. And I have every confidence that as we go forward
20 with this particular team assembled here that things will
21 only continue to improve for the EEI.

22 So I urge your approval of this historic
23 partnership, and I thank you.

24 CHAIRPERSON BROWN: Thank you, Leslie.

25 Teresa.

1 MS. BOBER: Thank you, everybody.

2 OEE is pleased to bring this item before the
3 Board today and ask staff -- we ask for approval of Option
4 A, approve the Scope of Work to contract with the National
5 Geographic Society for its participation in the model
6 curriculum development and reallocation of funding for
7 these services and adopt Resolution Number 2006-68.

8 This concludes our presentation. If you have any
9 questions, we'd be happy to answer them at this time.

10 CHAIRPERSON BROWN: Great. Thank you very much,
11 Teresa and all the speakers. We really appreciate it. I
12 think the only thing that comes to my mind is, wow.

13 I know we have some Board members who do have
14 questions. I don't know if we want to individually
15 address each speaker or you just as the questions come up
16 just step up to the microphone.

17 Member Petersen.

18 BOARD MEMBER PETERSEN: Wow.

19 CHAIRPERSON BROWN: I already said that.

20 BOARD MEMBER PETERSEN: Wow again. So this is
21 mindboggling the way this has been put together. In the
22 old day we did recycling and we started education in L.A.,
23 we did it in 1973, it was a total disaster. And I learned
24 along the way in working with the Board in the late '70s
25 on how the educational programs had to get put in the

1 schools. And it was unbelievable the task, and this is
2 amazing what you put together. Boy, sign me up.

3 I have a question, though. How is this all going
4 to be brought together with the outside funding? How is
5 that going to get coordinated? And do we as a group --
6 you as a group have a Memorandum of Understanding how
7 we're going to do that with the different organizations?

8 MS. MINTZ: It's our intention to be working in
9 the next two weeks with Mr. Block and his crew to develop
10 a Memorandum of Understanding between Heal the Bay,
11 Cal/EPA, the Integrated Waste Management Board to
12 facilitate the flow of funding and also to I think
13 solidify Heal the Bay's role more formally. And frankly,
14 that would have been done before now, but we've been so
15 busy just getting it to this point that we literally have
16 not had hours in the day to do that.

17 BOARD MEMBER PETERSEN: But the \$30 million is a
18 big chunk of change.

19 MS. MINTZ: Yes, it is, but we can do it.

20 BOARD MEMBER PETERSEN: Good for you, Leslie.
21 Wow, this is amazing. Okay.

22 CHAIRPERSON BROWN: Ms. Peace.

23 BOARD MEMBER PEACE: I'll say wow too. It's just
24 incredible how far this has come from a couple years ago
25 when I first sat in on some of those few meetings and

1 thought how is this ever going to happen. But Leslie and
2 Francesca, you were there, Jerry Lieberman, Andrea, you
3 guys have done such an incredible job. It's just amazing
4 what you've accomplished in the last two years. Thank you
5 so much. I just wish this was around for when my kids
6 went to school. And I'll be looking forward to it being
7 in place for when my grandkids start school. Thank you
8 for all your work.

9 CHAIRPERSON BROWN: That's not an announcement,
10 is it?

11 BOARD MEMBER PEACE: No.

12 CHAIRPERSON BROWN: Rosalie. Jeff.

13 BOARD MEMBER DANZINGER: I want to thank you all
14 for the presentation and especially your Wild Chronicles
15 exert. I don't care how many times I see it, I still
16 can't get enough of the lizard walking on the water.

17 You know, one of the most important aspects of
18 the whole effort that we're engaged in in our world is
19 behavior change. Provides all the momentum. It builds
20 the foundation. And I'm proud this organization is
21 partnering with National Geographic, one of the great
22 educators in this society, and with Heal the Bay which is
23 a great champion of the environment.

24 I think it's been estimated that for every dollar
25 that we invest in education, we get something around a

1 three dollar return on that investment in the future. I
2 don't know whether we'll ever be able to quantify the
3 future benefit of instilling in kids environmental
4 awareness. I think we will be able to at some point. But
5 I do know this. There is a huge quality of life return on
6 that investment. And teaching kids to be stewards, to
7 grow up to be environmental stewards is a great vocation.
8 So I thank you for what you're doing. And I thank Cheryl
9 and everyone here on the Board who preceded me and Andrea
10 and everyone who built this up, so thank you very much.
11 And look forward to all of it.

12 CHAIRPERSON BROWN: Do we have any questions or
13 comments?

14 BOARD MEMBER MULÉ: I just have a couple
15 comments. I just have to say thank you to Leslie and
16 Andrea, especially. I know how hard you've worked on
17 this. And again from the bottom of my heart, thank you so
18 much. I've been waiting for this day for a long time.
19 But I had no idea that we would be sitting here partnering
20 with National Geographic. I want to thank National
21 Geographic for being just as excited as we are to partner
22 on this groundbraking effort. It truly is groundbraking.
23 I think I've shared with some of you earlier, you know,
24 this is something that's personally very important to me.
25 And to be able to be a part of this and to have you,

1 National Geographic, as our partner I think just adds a
2 level of professionalism that cannot be replicated by
3 anyone else.

4 Mark, thank you for all your work in this. This
5 has just been again just a major effort. And I just want
6 to say I'm looking forward to the future and the product
7 that we're going to be producing. Again, this is
8 groundbraking effort, and I just can't thank everyone
9 enough.

10 And I let Jeff go first because I knew he would
11 articulate all those wonderful comments about children
12 being environmental stewards. Thank you, Jeff.

13 CHAIRPERSON BROWN: Thank you, Rosalie.

14 Obviously, I think this is a no-brainer for us.
15 You guys can tell this Board wholeheartedly endorses this
16 program and are doing backflips over this opportunity to
17 partner with National Geographic.

18 Dr. Lieberman, thank you. Mr. Cochran,
19 Francesca, Andrea, Teresa, Susan Sakakihara who is not
20 here today who's also worked very hard on this. We just
21 owe you guys our thanks for moving this forward. And we
22 enthusiastically stand behind you, and we'll do whatever
23 we can to help further this initiative on behalf of the
24 Board.

25 So with that, I think we need a motion.

1 BOARD MEMBER MULÉ: Madam Chair, I'd be honored
2 to move Resolution 2006-68.

3 BOARD MEMBER PEACE: I'd be honored to second
4 that.

5 CHAIRPERSON BROWN: It is an honor that Member
6 Mulé has moved and it's been honorably seconded by Member
7 Peace.

8 Can we call the roll?

9 EXECUTIVE ASSISTANT HARRIS: Danzinger?

10 BOARD MEMBER DANZINGER: I don't know -- a
11 resounding aye.

12 EXECUTIVE ASSISTANT HARRIS: Mulé?

13 BOARD MEMBER MULÉ: Aye.

14 EXECUTIVE ASSISTANT HARRIS: Peace?

15 BOARD MEMBER PEACE: Aye.

16 EXECUTIVE ASSISTANT HARRIS: Petersen?

17 BOARD MEMBER PETERSEN: You betcha.

18 EXECUTIVE ASSISTANT HARRIS: Wiggins?

19 BOARD MEMBER WIGGINS: Aye.

20 EXECUTIVE ASSISTANT HARRIS: Brown?

21 CHAIRPERSON BROWN: I'm honored to cast the last
22 unanimous vote in favor of this Resolution. Thank you
23 very much.

24 (Applause)

25 CHAIRPERSON BROWN: I think that's kind of a

1 tough act to follow. But we'll move on.

2 We'd now like to go to the fiscal consent agenda,
3 Items 2, 3, 4, 5, 6, 7, 12, and 13 are on fiscal consent.
4 We'll take these matters up in order, and I'm going to add
5 Item 8 in its order under Special Waste just for
6 consideration.

7 So we'll first move to Item Number 2 -- well,
8 actually, Mr. Lee, would you like to give your Deputy
9 Directory's report first, please?

10 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.
11 Good morning, Board members. My name is Jim Lee, Deputy
12 Director for the Special Waste Division. No items under
13 my Deputy Director's Report. I'm prepared to move
14 directly into the agenda today, Madam Chair.

15 CHAIRPERSON BROWN: Thank you. Item Number 2.

16 DEPUTY DIRECTOR LEE: Board Item 2 is
17 Consideration of Grant Awards for the Targeted Rubberized
18 Asphalt Concrete Incentive Grant Program.

19 This item has been revised to reflect accurate
20 funds available information. That was the Revision 2 that
21 was delivered this morning to you. Staff is proposing
22 funding for two projects, one for Sonoma County and the
23 other for the City of Placerville. This item was heard by
24 the Special Waste Committee and recommended for fiscal
25 consent.

1 Staff requests that the Board approve the
2 targeted RAC incentive grants to the City of Placerville
3 in the amount of \$200,000, and the Sonoma County in the
4 amount of \$175,000 and that the Board approve Resolution
5 2006-76 as revised.

6 CHAIRPERSON BROWN: Thank you, Mr. Lee. Do we
7 have any questions?

8 BOARD MEMBER MULÉ: No, Madam Chair. But I'd
9 like to move Resolution 2006-76 Revised.

10 BOARD MEMBER PEACE: Second.

11 BOARD MEMBER PETERSEN: I'll second that.

12 CHAIRPERSON BROWN: It's been moved by Member
13 Mulé and seconded by Member Petersen. Can we call the
14 roll?

15 EXECUTIVE ASSISTANT HARRIS: Danzinger?

16 BOARD MEMBER DANZINGER: Aye.

17 EXECUTIVE ASSISTANT HARRIS: Mulé?

18 BOARD MEMBER MULÉ: Aye.

19 EXECUTIVE ASSISTANT HARRIS: Peace?

20 BOARD MEMBER PEACE: Aye.

21 EXECUTIVE ASSISTANT HARRIS: Petersen?

22 BOARD MEMBER PETERSEN: Aye.

23 EXECUTIVE ASSISTANT HARRIS: Wiggins?

24 BOARD MEMBER WIGGINS: Aye.

25 EXECUTIVE ASSISTANT HARRIS: Brown?

1 CHAIRPERSON PETERSEN: Aye.

2 Now move to Agenda Item 3.

3 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

4 Board Item 3 is Consideration of the Scope of
5 Work and Contractor for the State Agency Partnership to
6 Support the Use of Tire-Derived Products Contract.

7 Staff proposes to work with Cal Expo management
8 to showcases various tire-derived products at Cal Expo
9 where it can be utilized or observed by the estimated
10 two-and-a-half million people per year that attend events
11 there. As part of the contractual arrangement with Cal
12 Expo, there will be required rigorous evaluation,
13 reporting on product utilization and performance, signage,
14 and other publicity which we expect will stimulate
15 interest in and demand for tire-derived products.

16 This item was heard by the Special Waste
17 Committee and recommended for fiscal consent. Staff
18 requests that the Board approve the Scope of Work, approve
19 the California Exposition and Fair as contractor, and the
20 contract amount not to exceed \$400,000 and approve
21 Resolution 2006-77.

22 CHAIRPERSON BROWN: Thank you.

23 Do we have any questions? Do I have a motion?

24 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
25 Resolution 2006-77.

1 CHAIRPERSON BROWN: Can I have a second?

2 BOARD MEMBER PEACE: Second.

3 CHAIRPERSON BROWN: It's been moved by Member

4 Mulé and seconded by Member Peace.

5 Can we call the roll, Jennine?

6 EXECUTIVE ASSISTANT HARRIS: Danzinger?

7 BOARD MEMBER DANZINGER: Aye.

8 EXECUTIVE ASSISTANT HARRIS: Mulé?

9 BOARD MEMBER MULÉ: Aye.

10 EXECUTIVE ASSISTANT HARRIS: Peace?

11 BOARD MEMBER PEACE: Aye.

12 EXECUTIVE ASSISTANT HARRIS: Petersen?

13 BOARD MEMBER PETERSEN: Aye.

14 EXECUTIVE ASSISTANT HARRIS: Wiggins?

15 BOARD MEMBER WIGGINS: Aye.

16 EXECUTIVE ASSISTANT HARRIS: Brown?

17 CHAIRPERSON PETERSEN: Aye.

18 Agenda Item 4.

19 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

20 Board Item 4 is Consideration of Scope of Work

21 and Agreement for Use of Satellite Technology to Locate

22 and Monitor Waste Tire Piles for California and the

23 California Mexico Border Region.

24 This agenda item is the culmination of a pilot

25 program, the results of which were reported to and

1 favorably received by the Board a few months ago. The
2 pilot program demonstrated that satellite imagery can be a
3 useful adjunct or supplement to our current surveillance
4 activities. The item before you implements Board
5 direction to bring a consideration item for integrating
6 this surveillance tool into our overall enforcement
7 program. This item was heard by the Special Waste
8 Committee and recommended for fiscal consent.

9 Staff requests the Board approve the Scope of
10 Work, approve San Francisco State University as the
11 contractor in the amount of \$200,000 and approve
12 Resolution 2006-78.

13 CHAIRPERSON BROWN: Thank you, Mr. Lee.

14 Do we have any questions?

15 BOARD MEMBER MULÉ: Madam Chair, I move approval
16 of Resolution 2006-78.

17 BOARD MEMBER PEACE: Second.

18 CHAIRPERSON BROWN: It's been moved by Member
19 Mulé and seconded by Member Petersen.

20 Can we call the roll, Jennine?

21 EXECUTIVE ASSISTANT HARRIS: Danzinger?

22 BOARD MEMBER DANZINGER: Aye.

23 EXECUTIVE ASSISTANT HARRIS: Mulé?

24 BOARD MEMBER MULÉ: Aye.

25 EXECUTIVE ASSISTANT HARRIS: Peace?

1 BOARD MEMBER PEACE: Aye.

2 EXECUTIVE ASSISTANT HARRIS: Petersen?

3 BOARD MEMBER PETERSEN: Aye.

4 EXECUTIVE ASSISTANT HARRIS: Wiggins?

5 BOARD MEMBER WIGGINS: Aye.

6 EXECUTIVE ASSISTANT HARRIS: Brown?

7 CHAIRPERSON BROWN: Aye.

8 Agenda Item 5.

9 DEPUTY DIRECTOR LEE: Board Item 5 is

10 Consideration of Scope of Work and Agreement with the Air
11 Resources Board to Purchase, Support, and Make Available
12 Surveillance Equipment to Assist the Waste Tire
13 Enforcement Program.

14 The Board's Tire Program's surveillance
15 activities are multi-faceted. We propose with this agenda
16 item to work with the Air Resources Board to take
17 advantage of their already existing program and staff
18 expertise in electronic surveillance activities to
19 integrate with our other enforcement elements. This item
20 was heard by the Special Waste Committee and recommended
21 for fiscal consent.

22 Staff recommends that the Board approve the Scope
23 of Work, direct the Executive Director to enter into an
24 agreement with the California Air Resources Board as
25 contractor for a contracting amount of \$150,000 and

1 approve Resolution 2006-79.

2 CHAIRPERSON BROWN: Thank you, Mr. Lee.

3 Do we have any questions?

4 Can I have a motion?

5 BOARD MEMBER MULÉ: Madam Chair, I'll move

6 Resolution 2006-79.

7 BOARD MEMBER PEACE: Second.

8 CHAIRPERSON BROWN: It's been moved by Member
9 Mulé and seconded by Member Petersen. Without objection,
10 we can substitute the previous roll and move to Agenda
11 Item 6.

12 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

13 Board Item 6 is Consideration of Grant Awards for
14 the Local Government Waste Tire Cleanup and Amnesty Event
15 Grant Programs. Pursuant to Board direction received
16 during the last Five-Year Plan revision, these two grant
17 programs were effectively combined for administrative
18 efficiency. Applicants can apply at one time for one or
19 both of the grant programs.

20 This item was heard by the Special Waste
21 Committee and recommended for fiscal consent. There was,
22 however, a request from Committee members to provide
23 further definition and explanation for the Board's cost
24 recovery policy as it applies to the local government
25 waste tire cleanup projects. This information has been

1 provided to the Board in an addendum to the agenda item
2 prepared by our Legal Office.

3 Staff would now like to request the Board approve
4 the award of local waste tire cleanup grants and amnesty
5 grants in the amounts indicated and to the identified
6 jurisdictions as set forth in Resolution 2006-80.

7 CHAIRPERSON BROWN: Thank you.

8 Do you have any questions?

9 BOARD MEMBER PEACE: I just want to say it was me
10 in Committee that had a question regarding our cost
11 recovery. And the addendum, whoever wrote that up, did an
12 excellent job of explaining. So thank you very much for
13 explaining that to me and to the rest of us.

14 CHAIRPERSON BROWN: Thank you.

15 Any other questions, comments? Can I have a
16 motion?

17 BOARD MEMBER MULÉ: I'll move Resolution 2006-80.

18 CHAIRPERSON BROWN: Do I have a second?

19 BOARD MEMBER PEACE: Second.

20 CHAIRPERSON BROWN: It's been moved by Member
21 Mulé and seconded by Member Peace. Without objection,
22 we'll like to substitute the previous roll.

23 And we will now move to Item 7.

24 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

25 Board Item 7 is Consideration of Approval of the

1 New Sites for Remediation Under the Waste Tire

2 Stabilization and Abatement Program.

3 There are three sites that staff is requesting
4 approval for Board-managed cleanups. These sites are ones
5 where responsible parties cannot be identified or are
6 unable or unwilling to pay for a timely remediation,
7 characteristics that distinguish them from those that are
8 cleaned up utilizing the Amnesty Day or Local Government
9 Waste Tire Cleanup Grants. This item was heard by the
10 Special Waste Committee and recommended for fiscal
11 consent.

12 Staff would ask the Board to approve Resolution
13 2006-81 and approve funding for Board-managed cleanups for
14 the three identified sites.

15 CHAIRPERSON BROWN: Thank you, Mr. Lee.

16 Do we have any questions, comments? Can I have a
17 motion?

18 BOARD MEMBER MULÉ: I move Resolution 2006-81.

19 BOARD MEMBER PEACE: Second.

20 CHAIRPERSON BROWN: It's been moved by Member
21 Mulé and seconded by Member Petersen. Without objection,
22 we'll substitute the previous roll.

23 And we'd now like to take Agenda Item 8 at this
24 time, which is not on fiscal consent, but under the
25 Special Waste Committee in order.

1 Mr. Lee.

2 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

3 Board Item 8 is Consideration of Grant Awards and
4 Allocation Proposals to be Funded from the Reallocation of
5 Fiscal Year 2005 Tire Recycling Management Program Funds.

6 This agenda item, often referred to as the May
7 reallocation, presents the Board with the opportunity to
8 redirect previously allocated but unencumbered funds to
9 new projects or programs.

10 This item was heard by the Special Waste
11 Committee and recommended for discussion before the full
12 Board. This year there is approximately \$2.34 million
13 available for redirection out of the total \$24 million
14 allocation for fiscal year 2005-2006. The amount
15 available may be increased by up to one million dollars if
16 the Board decides to follow the precedent in the last
17 two years and utilize the emergency reserve fund. The
18 reserve funds can be conditionally reallocated contingent,
19 of course, upon no emergency situation occurring by June
20 30th, 2006.

21 One other factor which influences the fund
22 available amount which I want to bring to your attention,
23 there is \$572,000 for the Targeted RAC Program which are
24 shown in Table 2 as being potentially available for
25 reallocation. At this point, however, staff is reasonably

1 confident that these funds will be encumbered when we
2 bring forth our final monthly targeted RAC agenda item in
3 June.

4 On the projects where staff is recommending that
5 available funds be utilized, we have a relatively short
6 list, the majority if not all of which can be accommodated
7 if emergency funds are utilized. Staff is recommending
8 that first priority go to any projects that come forth as
9 part of the Targeted RAC Grant Program in June in excess
10 of the approved allocation.

11 The second priority would be to provide \$50,000
12 in funding for the International Asphalt Rubber Conference
13 in Palm Springs.

14 The third priority would be funding for the B
15 List of the Tire-Derived Product Grant Program to the
16 extent that funds are available.

17 At the Special Waste Committee meeting last week,
18 Board members asked the staff to consider funding for one
19 additional project. This project was proposed to be with
20 the Tire Retread Information Bureau, or TRIB. TRIB is a
21 nonprofit organization, and the proposed project was for
22 an outreach and training project to inform local
23 governments about the safety and cost effectiveness of
24 retreading their truck and vehicle fleets as well as about
25 general tire care and maintenance.

1 Staff discussed with the Special Waste Committee
2 that there have been developments in the last several
3 weeks resulting from a DOF audit and underscored in a
4 recent administrative order issued by the Department of
5 General Services which impact on the Board's consideration
6 of this proposal.

7 These developments call into question certain
8 practices or protocols which staff might have recommended
9 to the Board for addressing this situation. These
10 considerations have been outlined in a Memorandum
11 distributed to the Board and made available to the public
12 last week.

13 Given these considerations, it is Program, Legal,
14 and Admin staff's consensus opinion that there is no
15 viable option to recommend to the Board for dealing with
16 this situation using available 2005-06 reallocation funds.
17 Staff can, however, recommend an option utilizing fiscal
18 year 2006-07 funds. Basically, that option would involve
19 utilizing coming before the Board in July with a proposal
20 for in effect an early reallocation.

21 Since all funds for 2006-07 have been identified
22 and allocated in the Five-Year Plan, it would be necessary
23 for the Board to reallocate, that is to decide, from which
24 line item -- to decide which line item would be utilized
25 to fund this TRIB proposal. At this time, there are

1 expected to be funds available that had been identified in
2 the Five-Year Plan for use by the Market Development
3 Division.

4 After the Board's identification of the
5 appropriate funding source, staff would envision putting
6 out the proposed project out to competitive bid. As I
7 mentioned before, Program, Legal, and Admin staff
8 unequivocally endorse this particular option for
9 addressing this situation.

10 With that introduction and overview, I'd now like
11 to ask Mitch Delmage and Sally French to make the
12 remainder of the staff presentation.

13 CHAIRPERSON BROWN: Thank you, Mr. Lee.

14 Mr. Delmage.

15 WASTE TIRE DIVERSION MANAGER DELMAGE: Madam
16 Chair, Board members, Mitch Delmage, Manager of the Waste
17 Tire Program.

18 What I'd like to do it move right into our
19 spreadsheet, and Sally will go over it with you so we can
20 see where we're at.

21 MS. FRENCH: Okay. We have 2,642,840, and we
22 have three projects that staff are recommending, and we
23 have several projects that were submitted by stakeholders.
24 If you want to go through and give us your priority and
25 the dollar amounts, we can put them in the spreadsheet and

1 give you a calculation to tell you how close you are.

2 CHAIRPERSON BROWN: Excuse me? What was your --
3 I'm sorry. We didn't hear you. Can you repeat?

4 MS. FRENCH: Previously, we've just gone through
5 each item and you've given us whether you want to add it
6 into the reallocation or not and what priority. And we go
7 through the list and we add it up the list to tell you how
8 close you are. Is that how you would like to --

9 CHAIRPERSON BROWN: No. I think we're going to
10 do it what the staff would like to recommend and the Board
11 will discuss it. If we change it at that time. So why
12 don't you go through staff's recommendation on what you
13 would like to see funded. We'll ask questions to follow.
14 And then we can make some adjustments at that point.

15 DEPUTY DIRECTOR LEE: Madam Chair, as I mentioned
16 in my opening regards, Sally was just advising you of the
17 procedure that had been utilized by previous Boards for
18 addressing this particular matter. I very much appreciate
19 the more abridged version you're suggesting. And again,
20 basically there's only three projects or three sets of
21 projects that staff is suggesting.

22 BOARD MEMBER MULÉ: Excuse me, Madam Chair. As I
23 recall, when we went through the exercise last year,
24 that's why we wanted to go to this new process. And
25 that's why the Board back then -- as I recall, Board

1 Member Peace, maybe you can concur with me, that's why we
2 decided to look at funding based on priority areas so we
3 didn't have to -- so that Sally, you didn't have to go
4 through that exercise. Okay. We're really trying to make
5 your jobs easier. I hope you understand that.

6 WASTE TIRE DIVERSION MANAGER DELMAGE: We
7 appreciate that.

8 MS. FRENCH: There are only three items on the
9 list that we are recommending. The Targeted Rubberized
10 Asphalt Concrete Incentive Program, we're unable at this
11 time to determine if it will need additional funds. We're
12 pretty close right now. There's \$572,000 left in that
13 line item, and there's about \$475,000 in requests that
14 will be coming forward so far in June. There may be
15 additional applications submitted in the next couple
16 weeks. So that may be oversubscribed, so we would like to
17 leave that open in case additional applications come in to
18 have that as our number one priority.

19 Our number two would be the Tire- Derived Product
20 Grant Program which is --

21 DEPUTY DIRECTOR LEE: Sally, correction on that.
22 I changed the staff recommendation on the second priority
23 to be the funding for the International Asphalt Rubber
24 Conference.

25 MS. FRENCH: So two would be the International

1 Asphalt Rubber Conference for \$50,000. And our last
2 priority would be the Tire-Derived Product Grant Program
3 which is oversubscribed at \$2,399,108.

4 BOARD MEMBER PEACE: Sally, to me that number is
5 a little bit different than what I have on my Revision 2.
6 What's the difference there?

7 MS. FRENCH: Sorry. That number has been
8 revised. There you go. There's the 2,355,790.

9 WASTE TIRE DIVERSION MANAGER DELMAGE: Madam
10 Chair, I'd like to interject at this point just to give
11 you a little background.

12 In the past, Board members have asked us to
13 follow up on grants, see how they're doing, get background
14 information. On this particular grant program, since it's
15 its first year, we went to its predecessors, track,
16 playground, other types of grants that we had given out in
17 the past. We asked our staff to start calling and asking
18 how these products are working out, if they're indeed
19 purchasing more products with their own funds.

20 And I'm pleased to report after contacting
21 approximately a quarter of our previous grantees, 75
22 percent have purchased tire-derived products with their
23 own funds after they received funding from us.
24 Additionally, 50 percent said they would be purchasing
25 tire-derived products in the near future. And then

1 finally, 87 percent said they were very satisfied with the
2 performance of the products.

3 When we come forward in July with the criteria
4 for the next version of the Tire-Derived Product Grants,
5 we'll be able to report as close to 100 percent of our
6 survey as possible.

7 CHAIRPERSON BROWN: Thank you. Do we have any
8 questions from Board members?

9 BOARD MEMBER PETERSEN: Yes, Madam Chair.

10 CHAIRPERSON BROWN: Member Petersen.

11 BOARD MEMBER PETERSEN: The question is with
12 regards to the Retread Program, the Retread Grant cycle
13 we're going to go through. I know you explained we're
14 going to have to kick this over. Can we start the RFP
15 process now and be ready to go so we can get this thing
16 funded and off the ground in the first part of the next
17 fiscal year?

18 WASTE TIRE DIVERSION MANAGER DELMAGE: We
19 certainly will.

20 BOARD MEMBER PETERSEN: Great.

21 CHAIRPERSON BROWN: Do we have any other
22 questions?

23 BOARD MEMBER PEACE: Staff is suggesting we take
24 the \$95,000 out of the CIWMB Support for Other CIWMB
25 Programs? Is that where you want to take the 95 out of?

1 DEPUTY DIRECTOR LEE: No. The 95 -- are you
2 talking about for the TRIB project?

3 BOARD MEMBER PEACE: Yes.

4 DEPUTY DIRECTOR LEE: We're hoping that will come
5 out of fiscal year 06-07.

6 BOARD MEMBER PEACE: But out of the line item for
7 the Support of Other CIWMB Marketing.

8 DEPUTY DIRECTOR LEE: Let me refer to Mitch.
9 What is the market development line item that --

10 WASTE TIRE DIVERSION MANAGER DELMAGE: We are
11 actually looking to fund 75,000 for this project, because
12 we'll be doing some of the work in-house through our own
13 sources and out of Jon Myer's shop. So we'll be proposing
14 75,000. It will go out for either a competitive bid
15 process or a sole source, whatever is appropriate. And it
16 will be coming out of the line item for the Product Trade
17 Shows that, as I understand it, have been -- won't be
18 going forward next year.

19 BOARD MEMBER PEACE: That's what I was wondering.
20 Have we gone back to decide about whether we're going to
21 have the Recycled Product Trade Shows again? Do we want
22 to take the money out of that line item in case we need to
23 go back and --

24 CHAIRPERSON BROWN: I think at this time we're
25 not discussing the 06-07 line item and where we would take

1 it. Just that the TRIB project isn't an option for this
2 year out of 05-06 money, but we could look at an early
3 reallocation of funds we may not use in that; is that
4 correct?

5 DEPUTY DIRECTOR LEE: Is that correct.

6 BOARD MEMBER PEACE: We can look at other things,
7 just like the Amnesty Grants. That was undersubscribed
8 this year, and I think it was bumped up another 700,000
9 for next year for 06-07. That might be a place we can
10 look at too, but we don't need to decide that today.
11 That's fine. I agree we do need to do this for 06-07.

12 Mitch.

13 CHAIRPERSON BROWN: Do we have any other
14 questions from Board members? Okay.

15 So the way it stands at this point, my
16 understanding is that we will fully fund Item Number 1,
17 which is the Targeted RAC Incentive Program, whatever it
18 comes to in June. Then we will fund the International
19 Asphalt Rubber Conference, and any remaining funds will
20 fund the Tire-Derived Product Grants.

21 DEPUTY DIRECTOR LEE: That is correct, Madam
22 Chair.

23 MS. FRENCH: The funding for the Tire-Derived
24 Product Grant Program is contingent on the million dollar
25 reserve not being used.

1 CHAIRPERSON BROWN: Exactly. Thank you, Sally.

2 Can we have a motion?

3 BOARD MEMBER MULÉ: Jim, is the reserve being
4 used?

5 DEPUTY DIRECTOR LEE: Sally's point was to point
6 out that if we had an emergency and we have to use that
7 for the emergency, then that obviously will make the funds
8 unavailable to be used for the B List grant. She's just
9 making the point so the Resolution can clarify that
10 understanding.

11 MS. FRENCH: A portion will be funded from the
12 unused funds, and the rest will be contingent on the
13 emergency reserve. So they will have to wait a while.

14 BOARD MEMBER MULÉ: Thank you for that
15 clarification.

16 CHAIRPERSON BROWN: I need a Resolution to state
17 that.

18 BOARD MEMBER MULÉ: Madam Chair --

19 CHAIRPERSON BROWN: Excuse me. Hold on. I'm
20 sorry. I do have speakers. My apologies. We have three
21 speakers requested.

22 Terry Leveille.

23 MR. LEVEILLE: Madam Chair and Board members,
24 Terry Leveille of TL & Associates, who has represented
25 TRIB in the past.

1 We understand the situation, and we appreciate
2 the Board's confidence in this type of a program whether
3 it's TRIB or someone else that, you know, ultimately gets
4 the contract if, indeed, they do decide to go out for bid.
5 We appreciate staff's work on this. And I know it was
6 putting the squeeze on at the last minute. And we, of
7 course, never expected it to be this kind of a situation.
8 We hope that next year when they do have the stakeholder
9 opportunity to present ideas and proposals that the Board,
10 you know, take appropriate action so that if indeed there
11 are some proposals worthy that this issue -- this
12 difficulty not arise once again. And anyway, that's all
13 we have to say. Thank you, once again.

14 CHAIRPERSON BROWN: Thank you, Mr. Leveille.

15 Next speaker, Mr. John Holman.

16 I do want -- I'm obligated to mention at this
17 time, Mr. Holman, seeing that you are speaking on behalf
18 of Redwood Rubber in support of their request for funding
19 on Item 8, that it is Waste Board policy to prohibit any
20 entity that owes money from receiving additional funding,
21 grants, or contracts. And I believe that Mr. Faust is
22 aware that there is a balance due on a previous grant. So
23 we'd be very happy to yield you two minutes to speak, but
24 it will not be under consideration due to previous Board
25 policy that there is outstanding money owed to the Board.

1 MR. HOLMAN: I understand that to some extent,
2 Your Honor, not fully, because I had it explained to me by
3 Mr. Faust. I think that that could be addressed best to
4 this Board by a letter in detail. I understand there's
5 some miscommunication on that.

6 But what I would like to do is -- we've dispensed
7 with our PowerPoint presentation. My background is I'm an
8 entrepreneur and capitalist. I became aware of
9 Mr. Faust's situation, his patented ultrasonic
10 devulcanization process about a year ago.

11 I'm involved in a number of different industries,
12 once of them with University of California Los Alamos
13 National Testing Laboratories and U.S. Department of
14 Energy. Over the past 25 years, they developed a process
15 for the liquefaction of natural gas that we're in the
16 process of implementing throughout the world. The
17 concepts in that process are extremely similar to the
18 process of ultrasonic devulcanization of rubber. And
19 that's what got me interested. We're in the process of
20 going forward to basically recover somewhere between five
21 and \$50 trillion a strand of gas to the world that would
22 not have been able to be recovered except for the United
23 States government spending tens of millions of dollars in
24 the past.

25 I've seen this situation, and I've run it by our

1 scientists at Los Alamos. In fact, that's why there's a
2 report of Dr. Baumgartner which is contained within your
3 packet here. The report of Dr. Baumgartner was at my
4 request. I told Mr. Faust according to our physicist in
5 Los Alamos we needed to get a very sophisticated chemical
6 process to attest to the economic viability of scalability
7 of the patented process he has to get a larger size unit.

8 Dr. Baumguard, if you go to his website, is the
9 number one authority in the world in cradle to cradle
10 technology. What that means is not cradle to grave like
11 what we're doing in the world of tire recycling, burying
12 them and burning them, which causes more greenhouse gasses
13 than any other single thing in the world at this point in
14 time proportionate to the amount that's done. But he
15 attested to the viability of moving this forward.

16 I'm here as much as a concerned citizen, because
17 as you'll see in the highlights and the comments that I
18 put inside your sheet in there, the head of your Senate
19 Appropriations Committee, Senator Carol Midgen, has
20 supported this proposal. It's supported by the
21 legislative intent of the Act that you all represent this
22 Board under. It's supported by your own contractor's
23 report to the Board, which you ordered a couple of years
24 ago. The findings of that report are simply stated in the
25 Executive Summary. Also provided to you in there in terms

1 of potential for producing high quality devulcanized
2 rubber, for example, high strength. The best technology
3 appears to be ultrasonic based on the current extent of
4 the art. We know that's true from our physicists at Los
5 Alamos who are also members of the University of
6 California system.

7 I'm urging this Board, it's really important.
8 Education is very, very important. But it's nothing
9 compared to innovation, as Einstein and many other people
10 have said. The \$30,000 that's in controversy with regard
11 to a past project really is insignificant as compared to
12 the potential this has for improving the quality of the
13 tire devulcanization process. It's the state of the art.
14 It's patented. The Russian government spent tens of
15 millions of dollars developing this. Mr. Faust acquired
16 the patent rights on it. It's got the opportunity to turn
17 tires into roof shingles, which is the highest and best
18 use of devulcanized rubber. Why? Because it's got the
19 most potential numerically. In other words, those roof
20 shingles are worth something because they can look just
21 like a slate tile and they can really improve this whole
22 process.

23 If we stayed going on the same pattern of
24 thought, I mean, how long can we bury tires? How long can
25 we burn tires? The EU is doing away with burning in 2008.

1 I would think this country needs to be focusing on that
2 also.

3 So I'm urging the Board to reconsider this in
4 light of the fact that certain amounts need to be
5 allocated to improving the problem. Not just in telling
6 people about the problem, not just to recognizing there's
7 a problem, but solving the problem. And this is one way
8 that the problem can be solved.

9 CHAIRPERSON BROWN: Thank you, Mr. Holman.

10 Do we have any questions from any Board members
11 for this speaker?

12 Okay. Thank you very much.

13 Next speaker, Mr. Faust. You have two minutes.

14 MR. FAUST: Good morning. I have a very short
15 PowerPoint. There's two slides I'd like to show. Would
16 that would be permissible?

17 CHAIRPERSON BROWN: You have about a minute and
18 40 seconds on your two minutes.

19 MR. FAUST: I haven't started. You know, other
20 people have had a long, long time.

21 CHAIRPERSON BROWN: Go ahead. Did you want to
22 start your presentation, Mr. Faust?

23 MR. FAUST: Yes. What I'd like to do is add
24 additional information on to what John Holman presented.

25 Redwood Rubber completed its project, and we

1 completed a system that delivered 400 pounds per hour. It
2 was ratified by the federal government that had a
3 concurrent grant with us. The project was supported by
4 sworn affidavits and photos. The staff report is wrong
5 for this particular reason.

6 State law says that the State can only object to
7 paying on a contract if they reject the subcontractor
8 within a 20 to 30 day period after the contract is lodged
9 with the State.

10 CHAIRPERSON BROWN: Mr. Faust --

11 MR. FAUST: The contract was lodged --

12 CHAIRPERSON BROWN: -- is this relevant to this
13 agenda item or the judgement?

14 MR. FAUST: Yes, it is.

15 CHAIRPERSON BROWN: Okay.

16 MR. FAUST: I would like to finish.

17 CHAIRPERSON BROWN: I just asked you for
18 clarification if this is speaking directly to this
19 agenda item.

20 MR. FAUST: Yes, it is.

21 The contract was lodged with the State, the State
22 in February of 2001, and it was personally delivered to
23 Nate Gauff's desk. At no time within the following 20 to
24 30 days did staff object or notify me in writing that they
25 were in any disagreement with the terms/conditions that

1 were given to the subcontractor. Only seven months after
2 everything is completed and all moneys are expended does
3 the State auditor raise that as an objection.

4 Under these particular circumstances, there are
5 mitigating circumstances. We have an additional five
6 mitigating circumstances. There is a force majeure
7 situation that has been reached. We wish that the
8 staff -- that this situation be corrected.

9 We have a compelling case. The Governor has
10 ordered the State to reduce greenhouse gasses. This
11 project of all the projects before you is the only one
12 that significantly reduces greenhouse gasses, saves
13 energy, and follows Governor Schwarzenegger's directive,
14 and also follows his Executive Order compelling all
15 agencies including this agency to implement his directive
16 to save energy and incorporate green building materials on
17 materials.

18 We reduce energy consumption on buildings. We
19 have an R factor of 4.6. Existing technology of concrete
20 and three tab asphalt shingles has an R factor of zero.
21 The Governor wants energy consumption reduced within the
22 state. Our project is head over heels over all of the
23 icings and all these other things that are out here. We
24 bring relief to the state of California.

25 I urge you to follow the Governor's special

1 directive. I ask you also his special directive on
2 reducing greenhouse gasses, number three. And number
3 three, the legislative intent of Public Resource Code
4 40051 Section A, B, and C that sets up a priority of
5 recycling that makes this project -- compels the Board to
6 prioritize this as the number one priority.

7 CHAIRPERSON BROWN: Thank you, Mr. Faust.

8 MR. FAUST: Thank you.

9 CHAIRPERSON BROWN: Are there any questions by
10 any Board members?

11 Okay. Thank you very much for your presentation.

12 Can I have a motion on Item 8?

13 BOARD MEMBER MULÉ: Madam Chair, I'll move
14 Resolution 2006-82.

15 BOARD MEMBER PETERSEN: I'll second.

16 BOARD MEMBER WIGGINS: I had a question. On the
17 non-allocating the emergency reserve, which is the tire
18 fund whatever, because we're at the end of the year --
19 sorry. The mike wasn't on. We're at the end of the year
20 and we're not allocating the million dollar reserve which
21 is used for emergencies, and why aren't we allocating that
22 million dollars since we're not going to be able to spend
23 it shortly?

24 DEPUTY DIRECTOR LEE: We are indeed -- we do
25 propose to utilize that. Part of the 2.6 in available

1 funds reflect the \$1,000,000 available.

2 BOARD MEMBER WIGGINS: Oh.

3 DEPUTY DIRECTOR LEE: The earlier discussion was
4 just to point out in the event we do have an emergency
5 that occurs between today and June 30, obviously we'll
6 have to utilize that million dollars for that. And that
7 will obviously result in less funding available for
8 probably the tire-derived products. Right now, the
9 Board -- the consideration would be to utilize the
10 emergency reserves.

11 BOARD MEMBER WIGGINS: Sorry I missed that.

12 CHAIRPERSON BROWN: Thank you.

13 Motion?

14 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
15 Resolution 2006-82 Revised.

16 BOARD MEMBER PETERSEN: I'll second that.

17 CHAIRPERSON BROWN: It's been moved by Member
18 Mulé and seconded by Member Petersen.

19 Can we call the roll on this?

20 EXECUTIVE ASSISTANT HARRIS: Danzinger?

21 BOARD MEMBER DANZINGER: Aye.

22 EXECUTIVE ASSISTANT HARRIS: Mulé?

23 BOARD MEMBER MULÉ: Aye.

24 EXECUTIVE ASSISTANT HARRIS: Peace?

25 BOARD MEMBER PEACE: Aye.

1 EXECUTIVE ASSISTANT HARRIS: Petersen?

2 BOARD MEMBER PETERSEN: Aye.

3 EXECUTIVE ASSISTANT HARRIS: Wiggins?

4 BOARD MEMBER WIGGINS: Aye.

5 EXECUTIVE ASSISTANT HARRIS: Brown?

6 CHAIRPERSON PETERSEN: Aye.

7 Now we'll move back to the fiscal consent agenda
8 with Item Number 12.

9 Member Petersen, did you have a short
10 presentation on your Committee business before we start or
11 would you like to go directly to Item 12?

12 BOARD MEMBER PETERSEN: As a matter of time,
13 Madam Chair, I think we should just move on.

14 CHAIRPERSON BROWN: Thank you. Move to Item 12.

15 BRANCH MANAGER SMITH: Madam Chair and Board
16 members, Item 12 is Consideration of a Recycling
17 Development Market Revolving Loan Program Application for
18 Leading Industries, dba, Pinnacle Plastics Containers.

19 This loan is for a business that's located in the
20 Ventura County Recycling Market Development Zone. It's to
21 facilitate an expansion of existing PET plastics and allow
22 them to develop a third line of production through the use
23 of a specialized piece of equipment. Basically, the
24 equipment will take the recycled PET flake and convert it
25 into plastic film which is later cut into plastic

1 containers for the fruit products. The loan will allow an
2 additional 1300 tons of additional diversion per year. It
3 will allow additional -- creation of additional twelve
4 jobs, and the loan amount is for \$955,000.

5 The item was heard by the Sustainability and
6 Markets Committee and was recommended for fiscal consent.
7 Also prior to that, the Loan Committee did review it and
8 placed no additional conditions on them.

9 Based on that, staff is recommending that the
10 Board approve Option Number 1 and adopt Resolution Number
11 2006-38, that you approve the RMDZ loan for Leading
12 Industry, Inc., dba, Plastics Containers in the amount of
13 955,000. Do you have any questions?

14 CHAIRPERSON BROWN: Thank you, John.

15 Do we have any questions from any Board members
16 on this item?

17 Do we have a motion?

18 BOARD MEMBER PEACE: I'd like to move Resolution
19 Number 2006-83.

20 CHAIRPERSON BROWN: Second?

21 BOARD MEMBER MULÉ: Second.

22 CHAIRPERSON BROWN: It's been moved by Member
23 Peace and seconded by Member Mulé. Without objection, we
24 can use the previous roll call and move to Agenda Item 13.

25 ACTING DEPUTY DIRECTOR SMITH: Agenda Item 13 is

1 another RMDZ loan. It's the Consideration of Recycling
2 Market Development and Revolving Loan Program Application
3 for Canyon Plastics, Inc. This loan is for two business
4 operations, one in the Santa Clarita Zone. This will be
5 our first loan to Santa Clarita, and for a new operation
6 in Los Angeles County RMDZ in Valencia. This is the same
7 company. Basically they're going to do the project for
8 the existing site. They're going to purchase equipment
9 that will allow them to implement source reduction
10 measures so they can regrind the material used and use
11 that in their new products.

12 The rest of the loan will go for the purchase of
13 land and working capital to facilitate the establishment
14 of the new facility in Valencia in the Los Angeles County
15 Recycling Market Development Zone.

16 Combined, the diversion at both facilities will
17 get them to an additional 506 tons per year. The entire
18 loan amount is for \$1,300,000. The Loan Committee heard
19 the item, and they placed one condition. They wanted a
20 clarification on the name of the company. And we did talk
21 to their attorneys and did get it resolved. The name of
22 the company is Canyon Plastics, Inc.

23 This item was heard by the Sustainability and
24 Market Development Committee, and they recommend it be
25 placed on fiscal consent.

1 Based on that, staff is recommending that the
2 Board approve Option Number 1 and adopt Resolution 2006-84
3 and approve the RMDZ loan to Canyon Plastics in the amount
4 of \$1,300,000.

5 Are there any questions?

6 CHAIRPERSON BROWN: Thank you, John.

7 Do we have any questions from Board members?

8 BOARD MEMBER PEACE: What were you saying about
9 the name? I notice on the front page you crossed out
10 Unistar Enterprises, Inc. So the name of the company is
11 just Canyon Plastics?

12 ACTING DEPUTY DIRECTOR SMITH: Right. Close to
13 the time they were submitting their application, they were
14 going through the process of the name change. We
15 clarified that with them that the Canyon Plastics, Inc.,
16 is the official name of the company. The other name is no
17 longer part of them.

18 BOARD MEMBER DANZINGER: That's what swung me on
19 this item.

20 BOARD MEMBER PEACE: It doesn't matter that's in
21 the title of the Resolution?

22 BRANCH MANAGER SMITH: The BAWDS system wouldn't
23 allow us to take it out. The noticing requirements is too
24 complicated.

25 BOARD MEMBER PEACE: In the borrower you put just

1 Canyon Plastics. I guess that's what's important, not the
2 title.

3 BRANCH MANAGER SMITH: In the Resolution, yes.

4 CHAIRPERSON BROWN: Okay. Do we have any other
5 questions? Do we have a motion?

6 BOARD MEMBER PETERSEN: I'll move Resolution
7 2006-84 Revised.

8 BOARD MEMBER MULÉ: Second.

9 CHAIRPERSON BROWN: It's been moved by Member
10 Petersen and seconded by Member Mulé.

11 Without objection, we can substitute the previous
12 roll.

13 And that concludes our fiscal consent.

14 Items 9, 14, and 15 were heard as Committee items
15 only.

16 Board Items 17, 18, 20, and 23 were pulled from
17 consideration from the agenda.

18 That takes us to Item 16. And Member Mulé, do
19 you have a Committee Chair report?

20 BOARD MEMBER MULÉ: Actually, Madam Chair in the
21 interest of time, most of those items were pulled. So
22 let's just move forward with our Deputy Director's report
23 and the agenda item.

24 CHAIRPERSON BROWN: If we could move to our
25 Deputy Director's report.

1 DEPUTY DIRECTOR LEVENSON: Thank you, Madam Chair
2 and Board members. Howard Levenson, Deputy Director for
3 Permitting and Enforcement.

4 I won't repeat my lengthy Deputy's report from
5 the Committee, but I do want to flag one set of things.
6 We have been dealing with a number of regulatory proposals
7 from other agencies, Regional Water Board, and Air
8 Districts around the state. And I did report on three of
9 those at the Committee, one from the Central Valley
10 Regional Water Control Board on composting. I want to
11 indicate to the Board members, we've had very cooperative
12 discussions with them about redrafting that proposed rule.
13 And we'll keep you up to date on that.

14 The second is the South Coast Air Quality
15 Management District proposed rule on odors from transfer
16 stations and MRFs, and there is a working group scheduled
17 for this Thursday down south with the Air District to
18 discuss an alternative proposal that we as staff provided
19 last year. So we will keep you up to date on those and
20 others. But I want you to be aware there is a series of
21 regulatory proposals from these different agencies that do
22 have potential impacts on our diversion infrastructure.

23 And that gave me time to get Judy Freidman and
24 Scott Walker up to the desk, little filler there. So with
25 that, I'd like to introduce Item 16, which is an overview

1 and discussion of landfill gas in relation to climate
2 change. This is not a consideration item at all, but is
3 rather for your briefing for you. The overview of our
4 role as part of the Administration's Climate Action Team
5 most specifically on the issue of landfill gas in relation
6 to greenhouse gas emissions. There's been a lot of
7 discussion of late as part of the Climate Action Team
8 about the significance of landfills as contributors of
9 greenhouse gas emissions and about the potential to
10 achieve additional reductions in landfill gas emissions.

11 At the same time, there are recent reports and
12 discussions about emissions reductions that have already
13 been achieved over the past two decades via a variety of
14 technology activities including energy recovery at
15 landfills as well as at waste to energy incinerators and
16 through increased recycling and composting activities. So
17 greenhouse gas emissions in general from solid waste
18 management will probably be much, much higher had there
19 not been a lot of investments in many sectors of the waste
20 management industry and recycling industry over the last
21 couple of decades.

22 At any rate, these discussions have raised very
23 important policy issues that are being debated over at the
24 Capitol. And what we'd like to do today is give you a
25 primer on landfill gas, some background info on gas

1 generation and collection, concerns relative to climate
2 change, and what we're doing in this area and talk about
3 some of the estimates of landfill gas emissions.

4 There's a couple of take-home messages I'd like
5 for you to get from this. The first is to reiterate that
6 we are working in response to the Governor's Executive
7 Order and Climate Action Team, and we do expect there will
8 be continual revisions of the goals and the various
9 numbers that have been put forth as part of the Climate
10 Action Team.

11 Second, to acknowledge that there is a very high
12 degree of uncertainty in the estimates regarding baseline
13 emissions of landfill gas. Without getting into all the
14 underlying calculations and assumptions, it's important to
15 recognize this, because these numbers are drivers in the
16 policy debate on some of the issues here, such as
17 requiring a mandatory cap on emissions. As Scott will
18 talk about, we're collaborating with the Energy Commission
19 on a new study to help deal with this issue.

20 And lastly, want you to understand that most
21 landfills and certainly all of the large ones already have
22 landfill gas to energy systems in place. So the potential
23 for new systems to contribute to more reductions is rather
24 limited. We'll talk about other possibilities as part of
25 the presentation.

1 With that brief introduction, I'd like to turn
2 first to Judy Friedman who's leading our overall effort
3 for the Board on the Climate Action Team. And Judy will
4 give you a little quick intro to the Climate Action Team
5 and our goals. And then we'll turn to Scott Walker on my
6 right who will talk about more specifically about the
7 landfill gas issues.

8 (Thereupon an overhead presentation was
9 presented as follows.)

10 ACTING DEPUTY DIRECTOR FRIEDMAN: Thank you,
11 Howard. Judy Friedman, Waste Prevention Market
12 Development Division. Good morning, Board members.

13 --o0o--

14 ACTING DEPUTY DIRECTOR FRIEDMAN: As Howard said,
15 I'm just going to give a little bit of background
16 information. At least a couple of you will recall the
17 Climate Action Team made three presentations to the Board
18 last year starting with Agency's presentation in July.
19 Then I made a presentation in September and in November.
20 And I believe that was Board Member Petersen's first --
21 one of his first Board meetings. So he got a briefing
22 right there.

23 What I'd like to do is just give a backdrop of
24 the Governor's Executive Order and just a little bit on
25 what some of the things that led up to this Executive

1 Order before I turn it over to Scott.

2 First of all, global projections of population
3 growth and assumptions about energy use indicate that CO2
4 concentrations will continue to rise likely reaching
5 between two and three times its late 19th century level by
6 the late 2100s. Many sources of data indicate that the
7 earth is warming faster than any time in the previous
8 1,000 years. The global mean surface temperature has
9 increased by 1.1 degrees Fahrenheit since the 19th
10 century. The ten warmest years of the last century all
11 occurred within the last 15 years. And some assessments
12 indicate that temperatures in the U.S. will rise by about
13 five to nine degrees Fahrenheit on average in the next 100
14 years.

15 So there are consequences of a warmer planet,
16 including sea level rise, spread of certain diseases out
17 of their usual geographic ranges. And there are effects
18 on agricultural production, water supply, ecosystems,
19 increased strength and frequency of storms, extreme heat
20 events and air pollution episodes. And these factors
21 amongst others are really culminated in the Governor's
22 signing of the Executive Order on June 1st of last year
23 which established targets for greenhouse gas reductions.
24 And those are by 2010 reduce to 2000 emission levels, by
25 2020 reduce to 1990 emission levels, and by 2050 reduce to

1 80 percent below 1990 levels.

2 And in signing the Executive Order, he stated,
3 "The debate is over. We know the science. We see the
4 threat. And we know the time for action is now." And
5 Board Member Danzinger will think fondly on that phrasing.

6 --o0o--

7 ACTING DEPUTY DIRECTOR FRIEDMAN: The Executive
8 Order also established the Climate Action Team. And the
9 Climate Action Team is led by the Cal/EPA Secretary and
10 has membership that includes the Air Resources Board,
11 Business Transportation and Housing, California Department
12 of Food and Agriculture, ourselves, CEC, the Public
13 Utilities Commissions, and of course the Resources Agency.

14 And the CAT was charged with evaluating and
15 recommending strategies to meet greenhouse gas targets,
16 reporting to the Governor and Legislature. And originally
17 the deadline was January, but that was extended slightly
18 for additional economic analysis. So the report has been
19 issued March of '06.

20 We're also charged with reviewing and revising
21 the report every two years and reporting back to the
22 Governor and the Legislature. And included in this work
23 is scenario analysis, macro economic study, all the agency
24 work plans which are the specific strategies to meet the
25 greenhouse gas reductions, and there are some 46

1 strategies identified. We have three of those strategies.

2 And of course cap and trade options.

3 And again, I encourage everybody to look at

4 www.climatechange.ca.gov. It has a vast wealth of

5 information, including the report to the Governor and

6 Legislature, executive summaries, and all sorts of

7 supporting documentation.

8 --o0o--

9 ACTING DEPUTY DIRECTOR FRIEDMAN: Again, there

10 are some 46 strategies. The Waste Board has been assigned

11 three strategies.

12 First, achieving the 50 percent statewide

13 recycling mandate strategy is obviously underway, and this

14 will reduce climate change emissions associated with

15 energy intensive material extraction and production. For

16 those of you that were here, you will recall in November

17 of last year I spent a lot of time going over the

18 relationship between waste prevention and recycling and

19 greenhouse gas reductions.

20 Our second strategy is zero waste, high

21 recycling, again going beyond the 50 percent. And this

22 are measures that result in additional waste reduction and

23 recovery of recyclable materials.

24 And finally, landfill methane capture. And this

25 is measures to increase capture of methane emitted from

1 landfills. That is, as Howard said, the subject of the
2 rest of today's presentation. And Scott Walker will be
3 going into the details.

4 BRANCH MANAGER WALKER: Thank you. Scott Walker,
5 Permitting and Enforcement Division.

6 Again, one thing to reiterate on these three
7 strategies is that they are complementary. And even if we
8 magically didn't have landfills tomorrow, we're still
9 going to have a lot of methane being generated for decades
10 to come that we need to deal with.

11 --o0o--

12 BRANCH MANAGER WALKER: What is landfill gas?
13 Landfill gas is a natural byproduct of the biogenic
14 decomposition of the degradable organic fraction of solid
15 waste in the sanitary landfill. And about 50 percent by
16 weight of waste in the landfill is degradable organics
17 primarily paper, cellulose, food waste, and yard waste.
18 And there's another 25, 20 to 30 percent or so which is
19 organic but it's not readily degradable woods, plastics,
20 et cetera.

21 --o0o--

22 BRANCH MANAGER WALKER: Typically, landfill
23 gasses composed of equal amounts by volume of methane and
24 carbon dioxide and small amounts of other compounds.
25 Potential threats to public health and safety in the

1 environment, it's an explosion hazard. It's also an
2 asphyxiate in confined spaces. In other words, it
3 displaces oxygen and can cause suffocation. And it also
4 contains odorous and toxic trace gasses. That's common
5 anachronism, NMOCs, non-methane organic chemicals. VOCs
6 are volatile organic chemicals. And HAPS are hazardous
7 air pollutants.

8 --o0o--

9 BRANCH MANAGER WALKER: This diagram just shows
10 the principle landfill gas routes of human exposure. And
11 the Waste Board and LEAs are primarily involved. Our
12 regulatory authority is with respect to the explosive gas
13 migration, lateral migration at explosive levels, and also
14 the potential explosive gasses in adjacent structures and
15 on-site structures. And that's what we spent a lot of
16 time on in the Permitting and Enforcement Division.

17 Also landfill gas -- certain trace compound VOCs
18 are soluble in ground water. So it could present a
19 groundwater impact. And so the Water Board may drive gas
20 control measures for sites with respect to groundwater
21 contamination from gas.

22 And then finally, the principle route of exposure
23 with respect to greenhouse gas emissions is the air
24 emissions. And that's basically through the cover,
25 through piping systems, leakage of gas as it goes in the

1 atmosphere. The Air Resources Control Board is the
2 principle State regulatory authority. But for landfills,
3 the permits and the rules are implemented by the 35 local
4 Air Pollution Control Districts. The Waste Board and LEAs
5 don't have authority over air emissions. This is the
6 principle driver of gas control at the majority of
7 landfills.

8 --o0o--

9 BRANCH MANAGER WALKER: Landfill gas collection
10 and control systems, basically you've got two types of
11 systems. Passive systems which are not really used that
12 often except for the real small sites. And they basically
13 vent gas to the atmosphere through subsurface pipes and
14 buried trenches. And then the bulk of it which is active
15 systems that pull gas from vertical wells and horizontal
16 pipes and trenches by blowers that pull that gas out. And
17 then principally for the most part, most sites destroy
18 that gas by flaring or landfill gas to energy systems.
19 And landfill gas to energy systems, they recover as an
20 energy source gas that would be otherwise flared, burned,
21 or directly released to the environment.

22 Another couple of options which are not used that
23 often, in small sites is to treat the trace gasses by
24 carbon absorption. But the methane just goes into the
25 atmosphere. But it's very minor in terms of the amount

1 and the number of sites. And then venting gas without
2 treatment, active venting, very rare to see that allowed
3 for by the districts.

4 --o0o--

5 BRANCH MANAGER WALKER: Another graphic we like
6 to use to show principle of landfill gas and environmental
7 control systems. We have the monitoring probes, waste
8 cells, liner systems, and then we have extraction wells
9 within the waste mass, primarily gas header pipes, final
10 cover, flare and gas plant, and leachate treatment plants
11 which some sites are required to use.

12 --o0o--

13 BRANCH MANAGER WALKER: I have just a couple of
14 pictures I'd like to show. That's a header pipe with a
15 line from an extraction well and a site that's adjacent to
16 some more residential. Here's a real small flare next to
17 a building, post-closure land use development. And here's
18 a larger flare. Some of these flares get really big, 40,
19 50 feet at the large sites.

20 --o0o--

21 BRANCH MANAGER WALKER: This slide is intended to
22 illustrate the complexity of the landfill gas generation.
23 Landfill gas varies substantially in its generation over
24 time, specifically to methane component. And what I'd
25 like to show on this slide is that for the dry sites which

1 for the most part are California landfills in the brown
2 curve, they would peak at near closure, and they would
3 drop off real gradually in terms of generation.

4 And this is an issue that we're working on also
5 related or actually a different policy issue, and that's
6 the post-closure -- post post-closure, because the 30-year
7 post-closure period the gas will clearly in these sites be
8 generated well beyond that.

9 Then as you get a wetter site in blue, the gas
10 will generate a little steeper, peak, and drop off a
11 little more rapidly.

12 And then we're looking at bioreactor landfills to
13 really keep it controlled and wet in the decomposition
14 process. You can really concentrate that generation of
15 gas over a short period of time, and it really drops off
16 of the area under the curve beyond closure is very, very
17 small. And this helps with being more efficient to
18 capture gas and also allows us to more economically and
19 efficiently recover that gas to energy.

20 --o0o--

21 BRANCH MANAGER WALKER: Now landfill gas to
22 energy, as I mentioned before, it can be a principle
23 component of gas control system, and it's got some other
24 related benefits. The type of systems used most commonly
25 is electricity generation, and there's internal combustion

1 engines. These are basically engines that use the gas to
2 fire the engine that generates electricity and goes into
3 the grid. There's also for larger projects gas and steam
4 turbans that are used and microturbans that are more
5 increasingly used.

6 The second category includes direct use which
7 direct use is medium BTU. That means that approximately
8 50 percent methane gas is piped directly to an adjacent
9 facility or on site facility and used as natural gas would
10 be to burn fire boilers. And Sacramento City Landfill
11 does that with Blue Diamond Almond Plant which is right
12 next door. They pipe gas there. The gas is burned for
13 boiler fuel in the industrial process.

14 Pipeline quality goes a further step. What that
15 does is purifies the gas, releases contaminants and makes
16 it natural gas pipeline quality. That's one site, Scholl
17 Canyon down in Los Angeles, that does this, and that's
18 another option.

19 Next one is vehicle fuel. Vehicle fuel is a very
20 interesting, very attractive option for landfill gas to
21 energy that is increasingly being considered. The main
22 two options are really compressed natural gas and then
23 liquid natural gas which liquifies. We have one project
24 in Puente Hills with CNG. Another one is Central Landfill
25 in Sonoma County which is just gearing up. And then LNG

1 it looks like we're finally going to get our first major
2 LNG for landfill gas project in Orange County. And we had
3 a little trouble getting going. But it looks really
4 promising that things are going to come online in the near
5 future.

6 How much landfill gas to energy is produced in
7 California? We have about 62 landfills right now, about
8 270 megawatt generating capacity, and then another 28
9 million cubic feet per day direct pipeline use. So it's
10 substantial.

11 What are the barriers of landfill gas to energy?
12 There are a number of barriers, principally regulatory
13 with air emissions because the IC engines which are the
14 cheapest, most efficient, they have about four times the
15 NOx nitrogen oxide emissions as would a flare. And these
16 are ozone precursors. And most of Californians are in
17 impaired air basins. So what that does is triggers -- if
18 they're available, it triggers offsets which would be
19 extremely expensive and make it very difficult for gas to
20 energy in most cases to be utilized.

21 Other barriers, technical factors, gas is very
22 variable and it's hard to predict. Landfill gas, the
23 challenge with some of the systems because you have to
24 treat the gas and take care of the bad stuff in it. Some
25 of these trace gasses impair the ability to recover energy

1 from it because they impair the devices as compared to
2 conventional power. A couple of the other issues are the
3 capital and operating costs are typically higher than
4 conventional power systems. Also there does appear to be
5 a need to get these things going from incentive credits
6 and tax credits and renewable credits. So that kind of
7 goes through that. Also the complexity of some of these
8 contracts. Just having the landfill gas and having an
9 agreement with a utility so you can sell your energy, it
10 sounds great, but it's difficult sometimes, very difficult
11 with certain utilities. And certain issues have come up.

12 --o0o--

13 BRANCH MANAGER WALKER: This just illustrates how
14 the role of landfill gas to energy plays. Eligible
15 renewable constitutes is about 10 percent of our
16 electricity generation right now. Used to be about 12
17 percent. It's supposed to be 20 percent by year 2017 with
18 the recent legislation. And so it's an area of a lot of
19 focus right now. And of the biomass component of the
20 renewables, landfill gas is a major component. It's
21 actually about 7 percent of the total renewables
22 production right now and has substantial room for
23 expansion.

24 Just to mention though, there's some controversy
25 because I think some persons feel that landfill gas to

1 energy shouldn't be considered on par with other
2 renewables such as solar and wind, but it is considered an
3 eligible renewal under state law.

4 --o0o--

5 BRANCH MANAGER WALKER: Just a couple photos.
6 This is kind of what the systems look like. This is
7 Kiefer Landfill, Sacramento County. They have a real big
8 IC engine plant. You see the flare next to it. Virtually
9 all energy recovery systems will have to have a backup
10 flare, so they have that there for back up.

11 --o0o--

12 BRANCH MANAGER WALKER: That's a typical engine
13 what it looks like. They call them gensets. It's the
14 most common.

15 --o0o--

16 BRANCH MANAGER WALKER: Puente Hills Landfill,
17 this is really the leader, the biggest landfill in the
18 state, the country, the world. Landfill gas to energy was
19 a pioneer that it's got the biggest gas to energy plant.
20 They do a lot of things there, steam turban plant. They
21 produce 50 megawatts alone from that steam turban. They
22 also produce vehicle fuel I mentioned before, CNG. They
23 operate some of the landfill equipment from the CNG they
24 produce from the landfill gas, it's really a neat thing.

25 They also have IC engines direct use, and they've

1 done some testing with some of these microturbans. If we
2 reduce the same amount of landfill gas per ton of waste
3 throughout the state as we do in Puente Hills Landfill, we
4 would more than double our production of landfill gas to
5 energy.

6 --o0o--

7 BRANCH MANAGER WALKER: Another area is
8 microturbans. These things look like really big
9 refrigerators. They're kind of neat. They have very low
10 emissions. They're still working out the bugs on them.
11 Some of them are coming in and making them larger
12 capacity. This is Lopez Canyon Landfill. They have a
13 huge bank of them. They may be a real good option for
14 small landfills that have really poor quality gas. They
15 have emissions that are essentially equivalent or even
16 lower than flare, so they're very positive in that area.

17 --o0o--

18 BRANCH MANAGER WALKER: Now getting more into
19 specifics of landfill gas and greenhouse gas emissions,
20 why is methane a greenhouse gas? Methane absorbs
21 terrestrial infrared radiation, which is heat that would
22 otherwise escape to space -- to the atmosphere in space.
23 This is a characteristic of greenhouse gas. Methane as a
24 greenhouse gas is actually 23 times more potent by weight
25 than CO2. This slide is 21. It changes with

1 international convention. Now it's at 23, it's considered
2 23.

3 Methane is more abundant in the atmosphere now
4 than it has ever been in the last 400,000 years and is
5 substantially higher than it has been since year 1750. It
6 also has a relatively short lifetime in the atmosphere.
7 So it's kind of a target that you can get a pretty
8 substantial quick benefit if you can reduce it in terms of
9 greenhouse gas, net greenhouse gas warming.

10 --o0o--

11 BRANCH MANAGER WALKER: One of the topics, carbon
12 sinks and sequestration. You might have heard of that
13 concept. And that is essentially where the carbon is
14 removed from the cycle whereby it might go into the
15 atmosphere and it's taken away, so you don't have that
16 carbon available as a potential greenhouse gas. And its
17 relation to solid waste is pretty interesting. It's
18 typically not considered in a lot of the life cycle
19 analyses. But many in the landfill industry and certainly
20 with composting and -- you know, it plays a roll in
21 composting, but in the landfill industry, they believe
22 that landfills can play a role with some of the carbon
23 which goes in the landfill can never get out and
24 contribute. And so there's a carbon sink component here
25 not just with solid waste but also, you know, solid waste

1 recycling and composting but also landfills.

2 --o0o--

3 BRANCH MANAGER WALKER: What are the sources of
4 methane in the atmosphere? This is from EPA's estimate.
5 And human related sources are about 60 percent, and
6 natural sources are about 40 percent. And why is landfill
7 methane a greenhouse gas concern in California,
8 specifically landfills? Well, the California Energy
9 Commission estimates landfill methane at anywhere from
10 actually little less than 2 percent to 4 percent of the
11 total greenhouse gas emissions.

12 This is quite controversial right now. Many feel
13 that it actually plays a much lower role for a number of
14 factors. And principally, the industry's position, they
15 feel it's in the fractions of a percent amount. And also
16 if you start to consider carbon sequestration, it's
17 essentially a net benefit in some cases. So certainly
18 there is a lot of papers being written about this now.
19 But the current estimates that CEC has, they're fairly
20 high and they kind of range pretty wildly around certain
21 numbers that come up. But that's getting a lot of
22 attention now.

23 --o0o--

24 BRANCH MANAGER WALKER: And again these emissions
25 estimates, there's a lot of uncertainty. Howard mentioned

1 it. These factors and assumptions are very clearly
2 understood. Capture efficiencies, this is the topic.
3 This is basically how much of the gas that's being
4 generated are we capturing with these control systems and
5 how much is left over to go in the atmosphere. That
6 actual amount is -- a lot of research and a lot of work
7 needed on that to pin that down better.

8 The other thing is methane naturally oxidates and
9 is used by methanotrophs which are bacteria that actually
10 eat the methane soils. So that's poorly understood but
11 that's another area of research.

12 And then basically California specific data, just
13 key factors, waste in place, how many landfills have
14 control systems, what's the status of those control
15 systems. That's the key factor that plays into the need
16 to improve those estimates.

17 The Energy Commission right now is -- will be
18 hearing for award next week a study which will help us
19 refine and improve these estimates. And we have been
20 working with a lot with them to provide technical
21 assistance and help with the coordination the Board staff
22 had, Stakeholders Steering Committee, and site specific
23 measurements which will be planned. And the prospective
24 contractor has done this for the EU and actually gotten
25 factors that we can relate to specifics on landfills to

1 actually get a better estimate. So we are real excited
2 about that.

3 --o0o--

4 BRANCH MANAGER WALKER: Little bit about our
5 in-house effort. We have been doing a lot of in-house
6 effort with basic data. And we found some really, really
7 enlightening information about this. There's about a
8 little over one and a quarter billion tons of solid waste
9 in landfills in place in the state. And we've
10 identified -- narrowed down 365 landfills we've identified
11 with potential for generating gas. That's basic
12 information that hadn't been considered in a lot of the
13 baseline estimates.

14 Seventy-six percent of this waste is in 51
15 landfills with greater than five million tons of waste in
16 place. All have active flare systems, and most of them
17 have landfill gas to energy systems.

18 And then if you go lower, you see 95 percent of
19 the waste is 149 landfills with greater than one million
20 tons of waste in place and 86 having control systems. So
21 we have probably 90 percent of our waste in landfills that
22 have gas control systems for the most part are complete
23 systems, best available control technology.

24 --o0o--

25 BRANCH MANAGER WALKER: What's the impact of

1 this? And again because of the uncertainty in the
2 estimates, we are going to work with the Climate Action
3 Team to adjust, you know, numbers and our estimates. But
4 right now, we've identified about 2 million tons of carbon
5 dioxide equivalent by 2010 and three million by 2020 to
6 target for methane landfill capture. What this says in
7 the data is that we have much more limited potential for
8 new systems at sites that don't have them right now. We
9 do have some potential. But it's much more limited than
10 have been once thought.

11 The area that probably has more promise is right
12 now higher reductions from maximizing the gas capture at
13 the largest landfills. We focus the biggest bang for our
14 bucks on the largest landfills and see what we can do if
15 anything to actually go higher. We've first got to get a
16 handle on really what they're emitting. It may be very,
17 very high as it is, and we may not be able to get much
18 more.

19 But a very small percentage in increase will get
20 us quite a bit of reduction. If you take a few percent
21 statewide on these bigger landfills, and it really factors
22 in quite strongly.

23 The other factor which is very important is the
24 indirect reductions from landfill gas to energy, because
25 it offsets displaced electricity and fuel production.

1 There's some evidence to show that landfill gas to energy
2 can increase your capture efficiency. Some don't agree
3 with that, but that's something to study with the CEC
4 we're going to be working on.

5 --o0o--

6 BRANCH MANAGER WALKER: So again, certain things
7 we know we can do to maximize gas capture: Optimize on
8 system design, construction and operation, maintenance
9 practices. We've been working with the air district on
10 this quite a bit and the LEAs. That is something we know
11 we can do and will have benefit.

12 We also know there's best management practices
13 that we're looking at. One of the really interesting
14 topics is compost appears to have properties such that it
15 could substantially increase the oxidation -- the
16 breakdown of methane in cover soils. So that is something
17 that really could be a very good emerging market for
18 compost that could really help at landfills.

19 Also partial and final closure which is where
20 landfills, as they fill, they voluntarily or in some cases
21 are required to cap off portions of the landfill that are
22 completed to grade, even though they're still active. And
23 that fine cover system is much more thicker and it reduces
24 emissions. So that has a role, most likely a substantial
25 role in helping to increase that capture efficiency.

1 And then as we mentioned, although it seems to
2 have some relatively limited statewide, you know, still
3 new active flare landfill gas to energy systems without
4 control are still an area that although the air districts
5 have the authority are a potential target that we know can
6 reduce greenhouse gas.

7 --o0o--

8 BRANCH MANAGER WALKER: What are we currently
9 doing on the landfill methane capture strategy? Staff
10 activities right now, as I mentioned before, ongoing
11 effort to improve the data and emissions estimates. We're
12 continuing our technical assistance with CEC and other
13 agencies, including ARB.

14 We've submitted a Scope of Work -- draft Scope of
15 Work to CEC for them to potentially fund a study that
16 would establish kind of a best management practice
17 guidebook for landfill operators in the state that we can
18 use and compliment the study on improving estimation of
19 capture efficiencies in emissions that we can sort of
20 complement that and actually implement specific measures
21 and get some handle on the quantification.

22 And then also to mention there's a lot of
23 indirect activities that play into increasing landfill
24 methane capture. We have a landfill gas to energy task
25 force with CEC to facilitate increased landfill gas to

1 energy with EPA and operators. We're working on hydrogen
2 from landfill gas. And we have a landfill gas monitoring
3 probe study which indirectly has a role. And then also
4 just the general landfill compliance oversight I think has
5 a very important direct role in overall increase in
6 landfill methane capture.

7 --o0o--

8 BRANCH MANAGER WALKER: So to summarize, Judy
9 laid out the really aggressive greenhouse gas emissions
10 reduction targets, very aggressive, really establishing
11 California as a leader in this effort. They are heavily
12 involved in this, and again the Board has responsibility
13 for three specific strategies. And today, we focused
14 primarily on the landfill methane capture strategy. And
15 I'd like to say we just continue to work on these with the
16 CAT and CEC and the other agencies. And it's very
17 important. We have staff very dedicated to this, and we
18 will be providing periodic progress reports to the Board
19 on this.

20 And with that, I will conclude my presentation
21 and answer any questions.

22 CHAIRPERSON BROWN: Thank you.

23 Do we have any questions from Board members?

24 Member Wiggins.

25 BOARD MEMBER WIGGINS: Can we get a copy of your

1 handout? And I have some questions that -- we have a full
2 Board meeting today. But any chance that you can give the
3 Board a question and answer kind of briefing or informal?

4 BRANCH MANAGER WALKER: Absolutely.

5 BOARD MEMBER WIGGINS: That would be very -- this
6 is very useful. One question is, even if you capture gas
7 out of the landfill, I understand there's still gas that
8 escapes that you can't capture. I don't know. But that's
9 another issue.

10 BRANCH MANAGER WALKER: Yes. That's a very
11 important issue. And that amount is very uncertain and an
12 area with a lot of research.

13 BOARD MEMBER WIGGINS: Thank you.

14 DEPUTY DIRECTOR LEVENSON: I would just add
15 that's one of the primary goal focuses of the new CEC
16 contract that we hope will be approved by the Energy
17 Commission next week. We won't get data from that until
18 late 2007, early 2008, but it will help us refine these
19 estimates of what's coming out of the landfill so we have
20 a much better handle on what's really achievable.

21 BOARD MEMBER WIGGINS: Thank you.

22 BOARD MEMBER PETERSEN: Scott, are we
23 coordinating with the private sector on this and trying to
24 extract more information and working with them as you go
25 through this process?

1 BRANCH MANAGER WALKER: Absolutely. And we
2 basically coordinate -- help to coordinate the CEC study
3 with the stakeholder group and private sectors directly
4 involved in this.

5 BOARD MEMBER PETERSEN: Okay. Great. Because
6 this is real interesting stuff.

7 And one other question on the microturbans. Have
8 you heard any problems about noise off of facilities from
9 local neighborhoods?

10 BRANCH MANAGER WALKER: microturbans, the noise
11 is pretty low on those. Some of the ones where you do
12 have some noise issues from time to time are the IC
13 engines can be noisy, but we have buildings, and there's
14 also visual impact with communities.

15 BOARD MEMBER PETERSEN: Do the landfills in some
16 of these cases act like speakers, exacerbate the noise?

17 BRANCH MANAGER WALKER: Well, I think landfills
18 in most cases would be obligated to mitigate whatever
19 impacts they have with respect to noise. And so if they
20 are creating a noise issue, then I would expect that, you
21 know, working with the local agencies they would be
22 required to mitigate those noise impacts. If they're not,
23 that would be not be acceptable to the community and to
24 the regulatory agencies.

25 BOARD MEMBER PETERSEN: Okay. Thanks.

1 CHAIRPERSON BROWN: Jeff.

2 BOARD MEMBER DANZINGER: Scott, can I ask, you
3 know, the CEC study references improving estimates. I'm
4 curious what was the process that CEC went through to
5 establish the base lines that they have, and does this
6 contract say anything about how much confidence CEC has in
7 those numbers? I mean, are those considered to be solid
8 numbers by CEC? Do we have data on it? Because there's a
9 lot of numbers in this presentation. There is a ton of
10 numbers, percentages, all kind of things that speak to how
11 much is being generated, this and that. But the only
12 number that matters is what's built into the Governor's
13 Climate Action Plan, because that's what sets the
14 expectation. So I'm just a little concerned about where
15 those numbers come from. Are they solid? Is this study
16 an indication that there's maybe, you know, lack of
17 confidence?

18 BRANCH MANAGER WALKER: The numbers, I think
19 there is pretty well consensus there's a need to refine
20 the methodologies for how the numbers were established.
21 And CEC will be updating their greenhouse gas inventory,
22 and this study will complement that because the
23 methodologies used are in question. But the study will
24 add additional science to refine those methodologies to
25 establish a better baseline estimate. So I think CEC

1 would acknowledge that numbers that they have, there is
2 need to refine those, and they will be going through that
3 effort. And the study will help them do that.

4 BOARD MEMBER DANZINGER: And I appreciate the
5 fact CEC is doing that. That is good.

6 Is the construct of the Climate Action Plan
7 accommodate, you know, a revision in that? I mean, you
8 know, I'm stepping well ahead of where we're going. But I
9 want to have a perspective going in that at some point in
10 the future if new data is there that becomes mutually
11 accepted by all of the stakeholders and the scientific
12 community that the process does allow for that shift, that
13 we haven't boxed ourselves in here.

14 ACTING DEPUTY DIRECTOR FRIEDMAN: I'll take a
15 stab at answering that. Judy Friedman.

16 Yes, the Climate Action Team is required every
17 two years to report back to the Governor and the
18 Legislature. And part of what the team and all the
19 different agencies that are implementing strategies have
20 been doing is looking at, you know, implementation issues
21 and refining, you know, what we learn as we go along. So
22 it's my understanding that we will be able to do just as
23 you suggested.

24 BOARD MEMBER DANZINGER: Okay. I mean, it's hard
25 to ratchet down expectations. That's what's difficult

1 politically. You set something out there. If it's there,
2 we have to get it. But understanding what is there --

3 DEPUTY DIRECTOR LEVENSON: Mr. Danzinger, I think
4 you've hit on one of the core issues that's being debated,
5 that is what is the certainty of the various estimates.
6 And we spared you some of the numbers today. There are a
7 number of different models that have been used to estimate
8 how much landfills are contributing to greenhouse gas
9 emissions. And there's probably a four- or five-fold
10 range in those models. And some of the older models that
11 have been used by U.S. EPA on a national basis and by the
12 Tellus Institute in putting out some of the initial
13 numbers for the Climate Action Team tend to be on the
14 higher side. There are other models that are a little bit
15 more recent and other information that indicates that the
16 actual emissions may be on the lower side. But there's
17 still so much uncertainty, hence the need for the study.
18 And that will be incorporated into the next or following
19 edition of the Climate Action Team report.

20 BOARD MEMBER DANZINGER: Thanks.

21 CHAIRPERSON BROWN: Howard, is the CEC study
22 intended to be completed in time for the next revisions?

23 DEPUTY DIRECTOR LEVENSON: I think that the field
24 testing is going to be conducted in 2007. So probably
25 reports won't come back until sometime in 2008. I think

1 that will be too late for incorporation into the next
2 revision. Maybe Judy has a schedule on the.

3 ACTING DEPUTY DIRECTOR FRIEDMAN: Yeah. I
4 believe Howard is correct. However, we'll obviously be
5 doing what we can to maximize the speed in which the study
6 is conducted. If we have early results -- I know I've had
7 discussions with the CEC about this, that we'll do our
8 best to try to get it into the next revision.

9 But it's just a matter -- and Scott can speak to
10 this the way the contract is established, it's really
11 difficult to speed things up in order to get the correct
12 data.

13 CHAIRPERSON BROWN: I realize that, but if we
14 miss 2008, that puts us at 2010, and that's our first
15 target. That's a little disingenuous to get your first
16 target and explain that you should have had more accurate
17 numbers five years ago.

18 So I know we're trying and we're establishing
19 this contract with CEC. Where we can endeavor to tighten
20 the time frame up to meet the next targets, I think that
21 makes more sense.

22 We have two speakers on this item. Just to let
23 everybody know where we're going to go from here, since we
24 are at noon, once we complete these two speakers, we will
25 take a one-hour recess at the conclusion of their

1 presentations and then take up the rest of the agenda
2 starting with Item Number 19 after lunch. So I would
3 anticipate that we'll adjourn maybe 10, 15 minutes and
4 then we'll be out until 1:15.

5 So with that, I'd like to call our first speaker,
6 Chuck White on behalf of Waste Management.

7 (Thereupon an overhead presentation was
8 presented as follows.)

9 MR. WHITE: I'm Chuck White with Waste
10 Management.

11 This greenhouse gas emissions is really an
12 important issue to Waste Management. We think it's
13 probably if not maybe the most important environmental
14 challenge that we're facing in this country and this world
15 today.

16 And Waste Management has been very involved. We
17 were one of the founding members of the Chicago Climate
18 Exchange and we've been very active in trying to see if
19 there is a way we can contribute to greenhouse gas
20 reductions. We were the first solid waste company early
21 this year to join the Climate Action Registry. I know our
22 friends at Allied Waste, NorCal, and Los Angeles County
23 Sanitation Agencies are also looking at joining, so we're
24 hopefully not going to be all alone there. We've made
25 contributions to make the Houston Super Bowl in 2004

1 climate action neutral, as we did with the Winter Olympics
2 in Salt Lake City.

3 I do have three handouts that I provided to you.
4 One is the PowerPoint I'm showing you just really quick
5 slides very briefly. There's a paper by White, et. al.,
6 that's impacted municipal solid waste management on
7 greenhouse gas emissions in the U.S. It's kind of a
8 Seminole study that was done a few years ago. And there's
9 also a copy of the recent article in the NSW Magazine
10 Waste Age. Just came out this month. Municipal waste
11 reductions for greenhouse gas emissions.

12 See if I can figure out how to work this thing.
13 I don't know if I can.

14 --o0o--

15 MR. WHITE: So in terms of all solid waste
16 management greenhouse gas sources and sinks, there's
17 really three major sources. One is our waste collection
18 infrastructure and the greenhouse gas that comes from the
19 vehicle. There's a landfill that Scott mentioned. And
20 then there's waste to energy opportunity. We have three
21 waste to energy plants in California and maybe more
22 through conversion technology. And of course, recycling
23 and composting.

24 And by the way, I have to give Scott and Judy
25 really a great round of thanks for the work they've been

1 doing. We've all been trying to play catch up a little
2 bit after the Climate Action Team came out with their
3 report. So we're really busting to try to make sure we
4 understand where these numbers are coming from as best we
5 can.

6 --o0o--

7 MR. WHITE: With respect to a landfill, there's a
8 lot of models that have been done estimating the amount of
9 organic waste that's in the landfill and how much gas
10 generating potential that is. But they're all estimates.
11 There isn't any direct measurement of the total gas being
12 generated.

13 The only thing that's directly measured is the
14 gas that's actually captured and either then flared or
15 converted to energy. So that's subtracted from an
16 estimated amount to come up with the amount of estimated
17 emissions from landfills which is totally an estimated
18 amount. No one is directly measuring this. There's some
19 work that Gene Bogner and we'll be doing through the
20 Energy Commission work. We'll try to do some ground truth
21 studies to get a better handle on where these emissions
22 are coming. And we wholeheartedly support that. We would
23 all like to have better numbers.

24 We are a bit concerned that the basis of the
25 California Climate Action Team's recommendations for

1 including landfills as a significant source again is based
2 on estimates that no one really knows for sure if that's
3 the right number. And, in fact, we think that a well run
4 landfill that has a good gas collection system really
5 emits very little greenhouse gasses directly. One of the
6 major missing components is any gas that's not collected
7 as it moves up through the cover, whether a soil cover or
8 compost cover that Scott mentioned, there is these
9 methanotropic bacteria that develop and actually eat the
10 methane as it comes out of the landfill. How much
11 reduction is that? Is that a little bit or a lot? That
12 needs to be discovered. A lot more work needs to be done.

13 --o0o--

14 MR. WHITE: This is a complicated flow chart.
15 It's not a very good copy, but it's in the report; the
16 Whites papers. And then the point is there's sources of
17 energy sources. There's the life cycle analysis. There's
18 sources and sinks of greenhouse gas emissions, not just on
19 landfills. It's from manufacturing. The residues are
20 recycled. And there's composting and landfilling and
21 waste to energy, all of which contribute to landfill gas
22 reduction.

23 How do I move back? There we go. Okay.

24 The white study -- this is a very poor chart. My
25 apologies. This is the best I could do to transfer it to

1 a PowerPoint presentation. The point I want to deliver
2 here is Waste Management Industry in total, our company,
3 other companies, the regulating infrastructure has made
4 tremendous progress in reducing greenhouse gas emissions.
5 The Whites paper and NSW paper I provided to you both
6 document that all in the left-hand side of this chart show
7 where we were in 1974, and the absolute emission
8 reductions in overall sources is about 25 percent. But if
9 you figure where we would have been if we continued with
10 the 1974 technology to current day conditions, the
11 absolute reductions we've achieved is about 13 -- we're
12 only about 13 percent where we would have been. So like
13 an 87 percent reduction in greenhouse gas emissions
14 through all of the things we've been doing in terms of
15 waste to energy recycling, more efficient routing, more
16 efficient trucks and controlling gas at our landfills.
17 It's not as if we've been standing still just generating
18 more and more greenhouse gas emissions.

19 --o0o--

20 MR. WHITE: The next slide focuses on just
21 landfills, the same kind of thing. In 1974 -- and the
22 numbers are irrelevant for this discussion. We're
23 basically capturing at least half of the landfill gas and
24 destroying it. And if we had continued to grow as we
25 have -- because the amount of waste being landfilled has

1 doubled in the United States in the last 30 years. We're
2 about one-third of the level of emissions to where we
3 would have been.

4 So my point is we're making tremendous progress
5 in reducing this. And always you hear about, you know,
6 credit for early action. But the other major sources of
7 greenhouse emissions in California, like transportation
8 where between 1990 and the year 2003 have increased from
9 161 million metric tons to 190, an 18 percent increase.
10 The electrical industry in the state has increased from 39
11 million metric tons to 44 million metric tons, a 13
12 percent increased. The cement industry has increased 4.6
13 to 6.2 million metric tons, a 35 percent increase. And
14 petroleum refinery has basically stayed the same by about
15 a 2 percent increase over that 13-year period.

16 But the same time frame, the waste industry
17 overall and the waste industry at our landfills has had a
18 tremendous reduction in the amount of greenhouse gasses
19 we're doing. So you know, it hasn't been just Waste
20 Management or Allied or NorCal. We're all working
21 together with the regulatory program that has evolved that
22 as a result has developed tremendous reduction in
23 greenhouse gas emissions to where we should have been.
24 And I hope that resonates with you into something that
25 goes through with the discussions that you have with the

1 California Climate Action Team and others in the future.

2 So the two messages that I would like to leave
3 with you, and I think Scott hit on one of them, is that
4 the numbers we're using to estimate greenhouse gas
5 emissions are really models. They're estimates. They're
6 not directly measured, whereas all the other sources of
7 greenhouse gas emissions in California are reasonably
8 close to being directly measured. They're easier to
9 estimate than landfill fugitive emissions.

10 And the second major point is we've already gone
11 a long ways in reducing greenhouse gasses from the solid
12 waste industry and landfills in particular, not saying we
13 can't do more. And we can could more, particularly
14 instead of just flaring the landfill gas, collecting it,
15 and generating power as a substitute for fossil fuel. And
16 we want to do that, although I have to tell you there's
17 some regulatory challenges with the air districts on
18 getting these reciprocating engines permitted because of
19 other criteria pollutants. That's a topic for another
20 discussion, but it's an important one that we need to
21 have. And I wish we could spend more time on discussing
22 this issue, because we think it's really important and we
23 really appreciate the Board's attention and we know Howard
24 and Scott and Judy's attention is there as well. So we
25 really look forward to working with you as the information

1 develops in the future. Thank you very much.

2 CHAIRPERSON BROWN: Thank you, Chuck.

3 Does anybody have any questions for Chuck?

4 Chuck Helget on behalf of Allied.

5 MR. HELGET: Madam Chair, members of the
6 Committee, I apologize for being the last speaker between
7 and you lunchtime.

8 CHAIRPERSON BROWN: Actually, we have a late
9 entry, so don't worry. You're not last.

10 MR. HELGET: I'm not going to repeat what Chuck
11 already said. I agree with the conclusions that he came
12 to.

13 The two most important issues here are, one, we
14 have already done so much and how do we quantify what
15 we've done and calculate from that point forward? And
16 two, how do get better data? How do we calculate better
17 data?

18 I have two recommendations. One is that we've
19 already been doing. We've had a meeting with your staff.
20 I think a very fruitful meeting. Had some very good
21 discussions with them and walked away with a real
22 commitment that we will continue to do so. But urge the
23 Board to be more proactive in carrying this message
24 forward that the landfill industry, solid waste industry
25 has done, already done a lot. And we need to make sure

1 that the numbers are accurate before we try to reach for
2 some of these goals.

3 And one way of doing that is to make sure that
4 your staff is actively involved with the air districts,
5 with the Energy Commission and with these other agencies
6 to make sure that that data is the best available data.
7 They really truly are the people that understand how these
8 gas collection systems work. The other agencies do not.

9 So I think with that, if the Board can ensure
10 that message goes forward to the CCAT, the Climate Action
11 Team and other policy makers, we would appreciate that
12 very much.

13 CHAIRPERSON BROWN: Thank you very much, Chuck.
14 Scott Smithline.

15 MR. SMITHLINE: Madam Chair, Board members, Scott
16 Smithline with the environmental group Californians
17 Against Waste.

18 Very briefly would like to say that we actually
19 don't agree with some of the estimates that have been put
20 forward today. So I guess you could say we agree with the
21 previous two testimonies that more work needs to be done
22 on figuring out these numbers. What we don't agree on is
23 which way they're wrong. I think these numbers are
24 probably very heavily underestimating the total landfill
25 methane emissions.

1 And I actually plan on following up with some
2 written comments, so I'm not going to expound on that at
3 this time.

4 The primary point I'd like to make is whether
5 we're right or wrong about that, landfills are not the
6 appropriate place for us to be managing organics. I just
7 want to make sure as we're going down this road, we agree
8 that we need to improve methane collection from landfills.
9 But let's not confuse the idea this is still an okay place
10 to be managing organics. Organics in the landfill is what
11 is causing this methane. So as Scott Walker said
12 previously, even if we stop putting organics in the
13 landfill tomorrow, we're still going to have the big
14 methane problem for the next 50 years or maybe 100 years.
15 We need to focus on those two things separately.

16 And this point was brought home to me just as I
17 was sitting here listening. I'm not sure who said it, we
18 can apply compost to the top of landfills to reduce
19 methane. I don't know if I'm the only one who that sounds
20 ridiculous to, but the idea we're going to take organics
21 out and compost them and put them back on the landfill to
22 mitigate the organics that are already in the landfill
23 seems like not the best use of resources to this
24 organization anyway.

25 But we'll be following up with more specific

1 comments. Thank you.

2 CHAIRPERSON BROWN: Thank you very much, Scott,
3 for your comments. Any last comments from any of the
4 members of the Board?

5 Okay. We'd like to take a brief one-hour recess
6 and re-adjourn here at let's still say 1:15.

7 (Thereupon a lunch recess was taken.

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1 AFTERNOON SESSION

2 CHAIRPERSON BROWN: Okay. I think we'll call
3 this meeting back to order. Jennine, call the roll,
4 please.

5 EXECUTIVE ASSISTANT HARRIS: Danzinger?

6 BOARD MEMBER DANZINGER: Here.

7 EXECUTIVE ASSISTANT HARRIS: Mulé?

8 BOARD MEMBER MULÉ: Aye.

9 EXECUTIVE ASSISTANT HARRIS: Danzinger?

10 BOARD MEMBER DANZINGER: Yeah, I'm here.

11 EXECUTIVE ASSISTANT HARRIS: Mulé?

12 BOARD MEMBER MULÉ: Here.

13 EXECUTIVE ASSISTANT HARRIS: Peace?

14 BOARD MEMBER PEACE: Here.

15 EXECUTIVE ASSISTANT HARRIS: Petersen?

16 BOARD MEMBER PETERSEN: Here.

17 EXECUTIVE ASSISTANT HARRIS: Wiggins?

18 BOARD MEMBER WIGGINS: Here.

19 EXECUTIVE ASSISTANT HARRIS: Brown?

20 CHAIRPERSON BROWN: Present. We have a quorum.

21 Members have any ex partes to report?

22 Okay. Then we will move to Agenda Item 19,

23 Consideration of a Revised Full Solid Waste Facility

24 Permit, and that will be presented by Howard Levenson and

25 Angela Basquez and Mark de Bie.

1 DEPUTY DIRECTOR LEVENSON: Thank you. And good
2 afternoon, Board members. Howard Levenson again, I'll be
3 making a short presentation on Item 19. And we'll be
4 happy to answer any questions that you have.

5 This item requests that the Board consider
6 concurrence on the revised full solid waste facilities
7 permit for the Zanker Road resource recovery operation and
8 landfill.

9 Before I get going, I just want to make sure that
10 you all should have an agenda item that is marked Revision
11 2 which came out last week in BAWDs. This is a
12 multi-activity site in the city of San Jose that consists
13 of a disposal site, transfer station, and compostable
14 materials handling facility. The permit is being revised
15 to reflect several changes.

16 First of all, change the name of the site.
17 Second, to increase the maximum amount of material
18 received and processed from 1300 to 2600 tons per day.
19 Third, to change the estimated closure date from 2003 to
20 2029. And also lastly, to update the remaining capacity
21 estimates from slightly over one million cubic yards to
22 about 700,000 cubic yards.

23 At the P&E Committee meeting last week, questions
24 were raised about traffic issues relative to this permit.
25 Specifically, why there was no traffic limit in the

1 permit, particularly in light of the staff report at the
2 Committee meeting that incited the environmental document
3 as indicating peak traffic numbers would never exceed
4 1,484 vehicles per day.

5 A couple of points I'd like to make with that
6 issue. First of all, it's the LEA's choice as to whether
7 to condition a permit with a traffic limit. In this case,
8 the LEA has chosen not to.

9 Second, as the revised item indicates on page 6,
10 the environmental document should have been characterized
11 as projecting based on the current ratios of vehicles to
12 tonnage that up to 1,484 vehicles per day would be
13 associated with the 2600 tons per day of material that
14 would be allowed in. However, that was not an absolute
15 number. It was simply a projection of the vehicles that
16 would be associated with that amount of tonnage.

17 At that amount of traffic, the change in level of
18 service at the intersections, which is how the traffic
19 impacts are analyzed, would not be considered significant.
20 The document does not include an analysis potential
21 impacts beyond 1,484 vehicles per day.

22 So with that explanation, the rest of the
23 findings that we had in the agenda item before you at the
24 Permitting and Enforcement Committee meeting remain the
25 staff. Staff was able to make all the findings that the

1 permit meets all the requirements, and we therefore
2 recommend the Board adopt Resolution 2006-74 which is to
3 concur in the issuance of the proposed permit. We'd be
4 happy to answer any questions. Mark de Bie and Angela
5 Basquez are here as well.

6 CHAIRPERSON BROWN: Thank you, Howard.

7 DEPUTY DIRECTOR LEVENSON: And the LEA and the
8 operator are both in the audience if you have any
9 questions of them.

10 CHAIRPERSON BROWN: Do we have any questions from
11 Board members?

12 Cheryl.

13 BOARD MEMBER PEACE: Yeah. Like I said, it's the
14 LEA's choice if they want to put traffic in there or not.
15 I, for one, just would like to see the traffic limit in
16 there, because it seems like all of our other permits have
17 them in there, and I'd like to see some consistency in our
18 permits.

19 And then what you put here in the document does
20 not include an analysis of the potential impacts beyond
21 1,484 anything above 1,484 vehicles per day could be
22 considered a substantial change and may require additional
23 environmental CEQA -- environmental review under CEQA. I
24 don't see why the LEA would choose not to go ahead and put
25 a permitted traffic limit of a maximum of 1,484 vehicles

1 per day.

2 DEPUTY DIRECTOR LEVENSON: Well, I think I'll let
3 the LEA come and explain their rational behind that
4 approach on this. As I did indicate, they are not
5 required to put traffic limits in. Typically, we do have
6 traffic limits and that is our preference, but we have had
7 a number of permits that have come through without traffic
8 limits on them.

9 BOARD MEMBER PEACE: I think this is only about
10 the second one I've seen.

11 MR. ARCHDEACON: Good afternoon, members of the
12 Board. My name is Rich Archdecon. I represent the LEA
13 for the city of San Jose.

14 My supervisor had made the decision not to
15 include the traffic count number. And as he explained it
16 to me, he had some concern that this site has a large
17 variety of different types of vehicles that use it. As
18 you know, it's primarily a recycling facility. It does
19 recycle a very significant percentage of the material
20 coming in, 80 to 90 percent. And it does receive quite a
21 few vehicles from members of the public.

22 And to the best my recollection, he felt that
23 because the small users coming in here represent kind of a
24 fluctuating number, he had some concerns that choosing a
25 particular number could be problematic in that in the

1 future there might be an increase in the small users and
2 that might bring us back in for a revision if we had set a
3 number in the permit. So as I recollect, that was one of
4 his main concerns.

5 CHAIRPERSON BROWN: Thank you.

6 Cheryl.

7 BOARD MEMBER PEACE: But here it says the
8 environmental document really doesn't support anything
9 over 1,484 vehicles. So why wouldn't you put that top
10 amount in the permit as being the maximum number that you
11 can take? To say there's a large variety of vehicles,
12 almost every facility we have has large varieties of
13 vehicles. And the number of vehicles from the public, a
14 lot of our facilities have a large number of vehicles,
15 fluctuating numbers of vehicles from the public. But your
16 environmental document according to our staff says
17 anything above that would be a substantial change and
18 might require additional environmental review under CEQA.
19 So why wouldn't he put that as the maximum limit in the
20 permit?

21 MR. ARCHDEACON: The only way I could respond to
22 that is Dennis Ferrier, my supervisor, had indicated that
23 he felt the tonnage limitation that we had in the permit
24 was an excellent control for the amount of material coming
25 in. And --

1 BOARD MEMBER PEACE: So we should think that with
2 all our permits? If we have a tonnage limit, we don't
3 need a traffic limit?

4 MR. ARCHDEACON: All I can say is that has been
5 our historical approach in San Jose with the exception of
6 one. None of our permits have traffic numbers in them.
7 And that was sort of his traditional approach.

8 CHAIRPERSON BROWN: Gary, did you have a
9 question?

10 BOARD MEMBER PETERSEN: Yes, hi.

11 I understand this has extensive recycling
12 facilities there that they do. Is there a buy-back center
13 there for purchase of recyclables?

14 MR. ARCHDEACON: Not at this facility.

15 BOARD MEMBER PETERSEN: So it's drop off for
16 anything from the consumer paper, everything?

17 MR. ARCHDEACON: That's correct, yes.

18 BOARD MEMBER PETERSEN: That's pretty hard to
19 regulate when you're dealing with buy-backs or drop-offs,
20 programs like that for recycling. You could be 3,000 one
21 month and 200 the next month. It depends on what's going
22 on. That would be hard to do.

23 CHAIRPERSON BROWN: Because you can't determine
24 what the tonnage is per car. Someone might bring in a
25 small bag of cans and drop it off, whereas someone else

1 might bring a truckload.

2 BOARD MEMBER PETERSEN: It's real hard to do.

3 BOARD MEMBER PEACE: If that's hard to do, then
4 why do any of the facilities have a traffic limit in them?
5 If it's hard to determine, why do most of the permits have
6 a traffic limit in them? Why don't they all just say it's
7 hard to do?

8 BOARD MEMBER MULÉ: No. It depends on the types
9 of -- number one, the types of waste they're bringing in
10 and the types of vehicles that are coming in to deliver
11 that material. You may have a transfer station that
12 accepts nothing but large front-end loaders or roll-off
13 containers.

14 But this particular facility has a lot of
15 individual, you know, mom and pops coming in dropping off
16 materials, and it's a variety of materials. And as they
17 stated in the Committee meeting, a lot of this is
18 seasonal. So the tonnage is the control mechanism that
19 they use to control the amount of material and the amount
20 of traffic that's coming in.

21 BOARD MEMBER PEACE: So if one day they happen to
22 have 2,000 vehicles come in, that would be okay? If
23 they're under the tonnage limit, that would be okay, even
24 though it says -- the analysis in the environmental
25 document says if they go over 1,484 that this could be

1 considered --

2 BOARD MEMBER MULÉ: No. They're not going to
3 exceed 1,484, but that -- right, is that my understanding?

4 BOARD MEMBER PEACE: It sounds to me like they're
5 not going to get to that limit. So I'm asking why was it
6 such a problem to put it in there?

7 BRANCH MANAGER DeBIE: If I may, Mark de Bie with
8 Permitting and Inspection.

9 Relative to the CEQA analysis that staff was
10 looking at in the 1,484, as far as we could tell, the
11 analysis looked at the potential impacts of 1,484 vehicles
12 going into the site. There wasn't data in the
13 environmental document that indicated when there would be
14 a significant impact, at what level of traffic would
15 result in a significant impact. So that's what staff was
16 trying to indicate in the staff report, that anything over
17 1,484 may -- and we use that term on purpose -- may be a
18 substantial change that could require an additional
19 review. There may be some buffer in there in that number.
20 It might be 2,000. Might be more than 2,000. We can't
21 tell from the documentation when the impacts to the
22 intersections may shift to be something significant. It
23 wasn't clear in the document.

24 But we can assure the Board that at 1,484 there
25 were no significant impacts. In fact, again, we saw the

1 analysis indicate that the impact in the intersections
2 were shifting down to a level of C was the worst case.
3 And you really don't have an impact from this jurisdiction
4 unless you have level service of E or F. So there is some
5 buffer here, if you will. We can't tell you how much
6 buffer.

7 BOARD MEMBER PEACE: And E and F would be reached
8 if they went over the 1,484?

9 BRANCH MANAGER DE BIE: Pardon?

10 BOARD MEMBER PEACE: And E and F, there would be
11 potential to reach the E and F --

12 BRANCH MANAGER DE BIE: Staff can't tell you when
13 they would trigger the E or F based on the document. It
14 had some calculations. We're not traffic experts. We
15 couldn't figure that out. We would have to go back to the
16 lead agency and ask them specifically for that number.

17 BOARD MEMBER PEACE: How would the lead agency
18 know when they needed to do more environmental review?

19 BRANCH MANAGER DE BIE: If they hit that
20 threshold which they set relative --

21 BOARD MEMBER PEACE: So if they start going over
22 the 2600 tons, then they would start looking for --

23 BRANCH MANAGER DE BIE: I think it would be a
24 vehicle count. We would counsel the LEA to be cognizant
25 of the vehicle counts. And if they see a pattern where

1 the vehicle counts are going over this number of 1,484,
2 that they may want to sit down with the planning entity
3 and talk to them about, are we starting to see problems
4 here? Do we need to look at this issue and move forward?

5 Having that in the permit would trigger that
6 automatically. It would say, we've reached the limit,
7 let's go do this. But I think we can counsel the LEA to
8 have that sort of in the back of their mind as they
9 monitor the site month for month and look at the traffic
10 records. And if they see it approaching 1,484, going
11 over, have a conversation with the planning entity to see
12 if there are problems here. Are we moving towards a D or
13 E, F level of service at the intersections and should more
14 analysis be done. So lacking it in the permit, that's
15 probably the default is just to treat it informally at
16 this time.

17 BOARD MEMBER PEACE: We would like to see that in
18 all of our permits. Did you say we're working on some
19 regulations that are going to start requiring it?

20 DEPUTY DIRECTOR LEVENSON: I couldn't hear you,
21 Ms. Peace.

22 BOARD MEMBER PEACE: I think you mentioned you
23 would like to see the permitted traffic --

24 DEPUTY DIRECTOR LEVENSON: That's our general
25 preference --

1 CHAIRPERSON BROWN: But it's not currently
2 required?

3 DEPUTY DIRECTOR LEVENSON: Correct.

4 BOARD MEMBER PEACE: You're working on
5 regulations that you said are going to start requiring it?

6 DEPUTY DIRECTOR LEVENSON: The current
7 regulations that are out for comment do not cover this
8 issue.

9 BOARD MEMBER PEACE: Oh, I thought you said they
10 did.

11 BRANCH MANAGER DE BIE: Howard, Mark de Bie
12 again.

13 At the Committee, you mentioned the planned reg
14 package, this issue of what should be included in a
15 permit, you know, is there a consistent list of items that
16 should always be in every permit is part of the regulatory
17 package that's planned for the future.

18 CHAIRPERSON BROWN: Member Mulé has a question
19 and then Member Wiggins.

20 Ms. Mulé.

21 BOARD MEMBER MULÉ: Thank you, Madam Chair.

22 Mark, this is for you. Given the nature of the
23 types of vehicles that come in there, would it be your
24 opinion that using tonnage as the threshold, you know, for
25 controlling traffic is adequate?

1 BRANCH MANAGER DE BIE: I think staff always
2 tries to go with more of a conservative approach and
3 because we realize the relationship between tonnage and
4 traffic. To have both is our preferred option. But
5 there's nothing formally we can impose.

6 For this particular site, I think 2600 tons based
7 on our analysis of the capacity of the site which does
8 include traffic flow within the site is adequate. But
9 that's not speaking to impacts off site like intersection
10 traffic. But certainly things within the boundary of the
11 site, 2600 is an adequate way to regulate the on-site
12 issues. And those would be, you know, the traffic flow
13 pattern and that sort of thing, off-loading, on-loading.

14 BOARD MEMBER MULÉ: Okay. Thank you.

15 CHAIRPERSON BROWN: Mr. Bledsoe, did you have a
16 comment to that particular issue?

17 STAFF COUNSEL BLEDSOE: Thank you, Madam Chair.

18 Member Mulé, if I may add a little bit to that
19 response. Essentially, I think the most direct answer to
20 your question is no. It's not sufficient in terms of CEQA
21 to identify the capacity of this site as simply the 2600
22 tons per day, because that is associated with a particular
23 amount of traffic which has been identified in the
24 environmental document as approximately 1,484 trips per
25 day.

1 Just for example, if all of a sudden all of the
2 solid waste arriving at this site happened to be coming by
3 pickup truck and the number of vehicles was suddenly
4 3,000, there's obviously greater environmental traffic
5 impacts as a result of that change.

6 So what the City of San Jose has managed to do
7 here, they've identified a project, 2600 tons per day
8 because of the CEQA document approximately 1,484 trips per
9 day. So Mark indicated that if the LEA finds those
10 traffic counts are being exceeded, the LEA needs to get on
11 the stick and figure out what to do.

12 But legally speaking, what has happened if the
13 traffic exceeds that general limit, then CEQA doesn't
14 cover this project anymore, and some solution would have
15 to be found, which might very well be, you know,
16 litigation to limit the project to what was identified in
17 the CEQA. So in that lengthy way I'm trying to indicate
18 both the tonnage and the traffic number are important.

19 BOARD MEMBER MULÉ: But the traffic number is
20 included in the CEQA document.

21 STAFF COUNSEL BLEDSOE: Correct. Right. It's in
22 the CEQA document, which is awkward and difficult and not
23 a recommended way to go, but that seems to be the way the
24 City of San Jose is going.

25 BOARD MEMBER MULÉ: Right. Thank you.

1 CHAIRPERSON BROWN: Member Wiggins.

2 BOARD MEMBER WIGGINS: Yes. Well, I guess maybe
3 it shouldn't be left open-ended. Because the negative
4 declaration says up to 1,484 vehicles per day, if it goes
5 beyond that substantially, is there going to be a revised
6 permit come before us?

7 BRANCH MANAGER DE BIE: As the permit is written
8 today, there would be no need to revise the permit to
9 address an increase in traffic, because there would be no
10 limits in the permit that would need to change. And
11 that's --

12 BOARD MEMBER WIGGINS: Because our document
13 doesn't make a limit on -- even though the CEQA document
14 says up to 1,484 cars a day, what we're voting on doesn't
15 have a limit on the number of vehicles, so it's moot?

16 BRANCH MANAGER DE BIE: Yes.

17 BOARD MEMBER WIGGINS: Well, that's not
18 acceptable to me, so I'm not going to vote for it.

19 CHAIRPERSON BROWN: Michael, did you want to --

20 STAFF COUNSEL BLEDSOE: I'm sorry. Michael
21 Bledsoe, Legal Office again.

22 Member Wiggins, the answer to your sort of the
23 point you're making is I believe you're correctly stating
24 the situation. If the number of vehicles at this facility
25 goes over 1,484 on any sort of significant basis, any

1 extended period of time a large number of vehicles, then
2 their CEQA document, their project is no longer the
3 project that was permitted by the LEA and concurred in by
4 the Waste Board. And the LEA is going to have to do
5 something about it. And if they don't, any interested
6 citizen would have the opportunity to sue the LEA and sue
7 the operator for basically operating a project that's not
8 covered by its CEQA documents.

9 CHAIRPERSON BROWN: So our permit doesn't require
10 a vehicles per day limit on it. However, you're telling
11 us that it's the City's responsibility in their planning
12 department if they find that a business in their
13 jurisdiction is violating a CEQA, that any citizen can
14 take action? It's just not under our jurisdiction.
15 Somebody else could or would take that action.

16 BOARD MEMBER DANZINGER: Or the LEA could take
17 action.

18 CHAIRPERSON BROWN: LEA prospectively could look
19 at CEQA through the planning department and the city of
20 San Jose.

21 BRANCH MANAGER DE BIE: Even or the Waste Board.

22 BOARD MEMBER PEACE: But a citizen would have to
23 look through, like you said, the complicated CEQA
24 documents. Where if it was in the permit, it would be
25 very readily to see, much easier to see, for a citizen to

1 just look and say, oh, gosh, they're going way over the
2 permit limit, instead of having to go through pages and
3 pages of complicated environmental documents.

4 STAFF COUNSEL BLEDSOE: Correct.

5 CHAIRPERSON BROWN: Pat.

6 BOARD MEMBER WIGGINS: I think this is our
7 responsibility. If our document that we're voting on does
8 not talk about the miles per day, and it doesn't -- I mean
9 the vehicles per day -- that doesn't match the CEQA
10 documents, then I don't think we had this right, and
11 that's why I can't vote for this.

12 BOARD MEMBER PEACE: I can't either, unless the
13 LEA is willing to put that into the document, put in the
14 permitted traffic limit is 1,484 a day. Because you'd
15 need to come back to us with a revised permit if it went
16 over that anyway according to the CEQA documents.

17 MR. ARCHDEACON: Well, certainly as Mark had
18 outlined, it would be our intention if we did see the
19 numbers start to go beyond this projected 1,484, of
20 course, we would want to meet with the operator and find
21 out what would be the best way to deal with that situation
22 and possibly either seek to modify the tonnage or to look
23 at how we can make the site conform to what the
24 mitigations were as outlined in the CEQA document. That
25 would be our intention to make sure that the numbers were

1 not climbing excessively.

2 I think I could also say that that would be
3 fairly unlikely. The site does have a certain proportion
4 of larger vehicles with this added mixture of smaller
5 public vehicles coming in. And I think that was part of
6 the reason for the 1,484 estimate that we were trying to
7 get a number that was a reasonable expectation that we
8 would see with the higher tonnage level. And certainly if
9 that vehicle number started to really get high and go over
10 that CEQA estimate, we would not stand by idly. We would,
11 you know, go in there and look at altering this permit so
12 that we have more control on that vehicle count.

13 CHAIRPERSON BROWN: Are you the operator?

14 MR. LINEBERRY: Yes.

15 CHAIRPERSON BROWN: Did you want to make any
16 comment?

17 Please state your name for the record and
18 proceed.

19 MR. LINEBERRY: My name is Paul Lineberry. I'm
20 the engineer for Zanger Road Resources Management Limited.
21 I was very much involved in the traffic evaluations that
22 were done as part of the permitting work that we've done.

23 A couple of comments I'd like to make. It's hard
24 to wrap us up, our operation, in a consistency sort of a
25 category because we're mostly recyclers. And we're

1 recovering at 80 plus percent of the material we're
2 getting. That means we're handling a lot of material. We
3 have a lot of equipment. We have a lot of people.
4 There's a lot of traffic going on. There's a lot of
5 people coming out to see what we do. There's people
6 coming to evaluate our materials that we make that we sell
7 back. There there's a lot of traffic activity type stuff
8 going on associated with an operation like ours. It's
9 very different than a typical disposal site.

10 A second comment I'd like to make is when we were
11 doing this CEQA work, we tried to evaluate the traffic
12 impact. We looked at what we thought was the typical type
13 of a traffic operation. The traffic consultant went and
14 studied it and said, you're going from a level B
15 potentially to a level C. Now it's been stated that a
16 significant impact is when you get down to like a level D
17 or E. We were never asked to go back and calculate what
18 traffic volume would need to be or how high it could go
19 before, you know, this would be considered a significant
20 impact. It was decided that this was a minor impact that
21 the activities at the site generate a lot of traffic
22 activity, that 2600 tons per day is a good tool to manage
23 our operation. And that's the way the permit was written.

24 CHAIRPERSON BROWN: Thank you.

25 Now do we have any last comments before we --

1 Pat.

2 BOARD MEMBER WIGGINS: The LEA was talking about
3 his responsibilities. I was talking about our
4 responsibility. That's the difference.

5 BOARD MEMBER DANZINGER: I hate to ask for
6 edification from up here on the dias, but I really feel
7 behind the eight ball on this. I did not know this was
8 going to be the kind of issue it is. I have heard some
9 pretty applicable real world comments from the Board
10 Members Petersen and Mulé, but that's all I've heard as to
11 why as a matter of process traffic is in the CEQA but not
12 in the permit. I mean, aside from the realities which I'm
13 not discounting, why did it happen that way? Did that
14 come from you, sir, or did it come through us? Or why is
15 it that it's a relevant issue in CEQA but not considered
16 to be a relevant issue in the permit? I just want to get
17 clear on that because --

18 CHAIRPERSON BROWN: Howard.

19 DEPUTY DIRECTOR LEVENSON: Yes, ma'am. I will
20 start with that.

21 But Mr. Danzinger, there are many parameters that
22 are analyzed for in a CEQA document that are not
23 necessarily included as permit conditions.

24 BOARD MEMBER DANZINGER: I understand that.

25 DEPUTY DIRECTOR LEVENSON: And again to repeat,

1 there is no requirement that traffic be included as a
2 permit condition. In this case, as this gentleman
3 explained, the situation was analyzed for up to --
4 projection of 1,484 vehicles. The impacts were minor.
5 They certainly didn't move the services levels of the
6 intersections down to any significant impact level. We
7 don't know what that level would be, as Mr. de Bie pointed
8 out, whether it's 2,000 vehicles per day before the
9 service level would drop to E or F or 1500. We don't
10 know. As the LEA has indicated, you know, their
11 historical tendency has been to not include traffic in the
12 permit. That is not a basis for us to object to the
13 issuance of the permit on under statute. So it's their
14 choice as to whether or not to include it.

15 BOARD MEMBER DANZINGER: Okay. There's such a
16 strong linkage being made here between traffic and the
17 tonnage in the item now that's being highlighted. And you
18 know, Mark himself said if that traffic -- we're going to
19 urge the LEA to monitor to traffic. And if we see the
20 traffic go up, then that's like a trigger point. Whereas,
21 we're hearing really it's the tonnage that's the trigger
22 for us. That's the thing we're concerned about is
23 exceeding the tonnage.

24 CHAIRPERSON BROWN: Do we have any other comment
25 before I call for a motion?

1 BOARD MEMBER PEACE: I know about the real world
2 situation. I understand that. But when I think about
3 like in my area there's Edco. And they're recycling.
4 They're a buy-back center. They're a transfer station.
5 Now they're going to be a CDI facility too. I can't
6 imagine they would come up here to me and ask for a permit
7 that wouldn't have a permitted traffic level in there.

8 DEPUTY DIRECTOR LEVENSON: Most LEAs do choose to
9 incorporate a traffic limit into their permit as a term
10 and condition. However, our regs do not require that. As
11 Mark indicated, I did point out at the Committee meeting
12 that we have the current package of regulations that are
13 out on the street. We have two other proposed packages.
14 One of the issues would be what does the Board expect to
15 have as terms and conditions of every permit. So this is
16 where when we get to that permit -- or regulatory package,
17 that would be an area you could explore.

18 CHAIRPERSON BROWN: Okay. Can I have a motion?

19 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
20 Resolution 2006-74.

21 BOARD MEMBER PETERSEN: I'll second that.

22 BOARD MEMBER MULÉ: Revised.

23 BOARD MEMBER PETERSEN: I'll second that.

24 CHAIRPERSON BROWN: It's moved by Member Mulé and
25 seconded by Member Petersen.

1 Jennine, can you call the roll, please?

2 EXECUTIVE ASSISTANT HARRIS: Danzinger?

3 BOARD MEMBER DANZINGER: Aye.

4 EXECUTIVE ASSISTANT HARRIS: Mulé?

5 BOARD MEMBER MULÉ: Aye.

6 EXECUTIVE ASSISTANT HARRIS: Peace?

7 BOARD MEMBER PEACE: No.

8 EXECUTIVE ASSISTANT HARRIS: Petersen?

9 BOARD MEMBER PETERSEN: Aye.

10 EXECUTIVE ASSISTANT HARRIS: Wiggins?

11 BOARD MEMBER WIGGINS: No.

12 EXECUTIVE ASSISTANT HARRIS: Brown?

13 CHAIRPERSON PETERSEN: Aye.

14 Resolution passes.

15 We'll move to agenda item -- thank you very much

16 to the LEA and the operator for being here.

17 We'll next move to Agenda Item 22, Update on the

18 Recycling Content Material Marketing Research. That will

19 be presented by Jon Myers.

20 ASSISTANT DIRECTOR MYERS: Thank you, Chair

21 Brown. And good afternoon, Board members.

22 Item 22 is Update on the Recycled Content

23 Materials Marking Campaign. In a moment, I'll introduce

24 Beverly Kennedy here from Ogilvy to present you with an

25 overview of the program made to date. As a brief

1 reminder, this contract was established to further the
2 Board's goal of creating markets for recycling material
3 and it was decided that one of the state's biggest users
4 would be the local jurisdictions. The Scope of Work for
5 this campaign focused on creating the means of reaching
6 out to the local decision makers and local public works
7 staff so that a better understanding of targeted recycled
8 materials would be made and that we would increase the
9 markets for these materials.

10 I'd like to quickly address a few concerns
11 regarding the contract I've had as well as some of you
12 have had. As you are aware, and I believe I've addressed
13 previously, the original proposal that came from Ogilvy
14 had all the data collection finalized in January 2006 and
15 the presentations that were to be made with local
16 decisions makers and local jurisdictions to be made in
17 January of that year as well.

18 Unfortunately, we have fallen behind on this time
19 line for a variety of reasons. Those reasons start from
20 the beginning of this contract when we originally had
21 planned on the contract being signed and work to commence
22 in June of 2005, but we were not able to get all necessary
23 processes complete and in order, and Ogilvy was not able
24 to begin work until August of 2005.

25 This late start put us against the wall right

1 from the start when we had planned on getting most of the
2 work done before the holiday season, and we had to stop
3 some of the work as we hit against the holiday season. We
4 didn't want to start reaching out, doing the surveys with
5 local decision makers during the holiday when we knew we
6 wouldn't be getting any feedback at that time. So we held
7 off right from the start. We were able to get some work
8 done during that time. We shifted gears and moved into
9 some other areas of the contract.

10 We also added another element that wasn't
11 originally in the proposal for Ogilvy, and that was for
12 Ogilvy to attend and work at the California Leagues of
13 City annual conference in San Francisco where they were
14 able to conduct some great research and collect well
15 needed data from a host of elected officials and decision
16 makers. And I think we shared some of that research with
17 you previously. And we found that it was well worth the
18 trip down there.

19 When we started taking a look at the time line
20 and realized we really have fallen behind, my first
21 instinct obviously, close your ears, but it was to go to
22 Ogilvy and start wagging my finger at them saying where
23 did we go wrong. As the issue arose even further, I
24 decided to go back and take a look at all the
25 correspondence regarding this contract between us and with

1 Ogilvy and everything that was going on and realized that
2 the lapse did not just come on Ogilvy's part. There was
3 numerous reasons why we hit this time frame besides just
4 the late start.

5 In the beginning of this contract, it was the
6 Public Affairs Office working with Ogilvy, and we decided
7 real quick that we needed to bring in more of our projects
8 staff -- or program staff and that built us a pretty nice
9 size team. We also decided to start bringing in some of
10 the stakeholders since they share the common goal that we
11 have. By bringing in the cumulation of all these staffs
12 and outside sources, it bogged down the system just a
13 little bit more. We went to staff trying to ensure that
14 we were utilizing the correct messaging, utilizing the
15 correct data, the correct numbers. And with the amount of
16 staff that we brought into this project, it slowed down
17 the system just a little bit more.

18 You know, I just can't express enough that we
19 realize there was a problem with the time frame. We are
20 on board. Everything is moving forward. And I'll get to
21 that in a little bit and Beverly will present some more of
22 that.

23 I would like to touch on some of the good news.
24 We are working below the budget and have found ways to
25 reduce costs. Of course -- and we haven't fixed that

1 noise yet. We have found ways to reduce costs. For
2 example, we moved to an online survey instead of doing a
3 phone survey, which would have taken a little bit more
4 time and would have been a lot more costly. Furthermore,
5 in working on the jurisdictions list that we develop with
6 program staff and some of our stakeholders and because the
7 fact that we had a little bit more money in the budget, we
8 moved from the 40 original jurisdictions that we had in
9 the proposal from Ogilvy to 60 jurisdictions. So it's 60
10 as a result and evaluating where the jurisdictions are
11 based on some of the material or the research that Beverly
12 is going to touch on.

13 The delay in finishing the research has not
14 impacted the budget nor the overall goal of this contract.
15 What it has done is limited the amount of time that we
16 have to get all these meetings done. We are very
17 optimistic that we will be able to complete all of our
18 list before the end of the Ogilvy contract.

19 In regards to the meetings with local decision
20 makers and elected officials, Ogilvy is making contact as
21 we speak with those jurisdictions and setting up our first
22 meetings. Our plan is to conduct the first five in test
23 markets to get a feel and understanding of what is working
24 and what might not be working. As indicated in the Scope
25 of Work, the contractor will be setting up the meetings

1 with the decision makers and utilizing staff and Board
2 members where appropriate as the experts on these
3 materials to help us bring the local jurisdictions to a
4 better understanding of the products and its uses. After
5 those first five, which are spread statewide, we will make
6 any necessary changes and complete the remainder of the
7 jurisdictions.

8 I remain as I have been from the beginning of
9 this concept when we first developed it back in 2005 very
10 optimistic about the results we will see from the locals
11 when it comes to the purchase of rubberized asphalt,
12 tire-derived aggregate, organic materials, and recycled
13 aggregate.

14 We have here a great approach to spreading the
15 word about recycled content materials, and we are
16 developing tools that can be used over and over again as
17 we continue to reach out to local jurisdictions, as I've
18 explained before. And we will keep you informed of where
19 and when these meetings will take place and look forward
20 to your involvement as well.

21 And now here to present is Beverly Kennedy from
22 Ogilvy to provide you with more a detailed update on the
23 program status.

24 (Thereupon an overhead presentation was
25 presented as follows.)

1 MS. KENNEDY: Good afternoon, Madam Chair, Board
2 members.

3 As Jon mentioned, I'm going to give a brief
4 update on the status of the program. I'm going to talk
5 about the research. I'm also going to talk about all the
6 other activities we've been implementing since we have
7 been awarded the contract. Obviously, if you have
8 questions, please feel free to ask.

9 --o0o--

10 MS. KENNEDY: The first thing I want to update
11 you on is the research. This is the part that has been
12 taking a lot of our time and energy as of late. Some of
13 this has been presented in past Board meetings, and I'm
14 sure you've been getting regular updates from Jon and
15 staff, but I wanted to go over it all again in general
16 since we have some new Board members that have joined that
17 might not have been privy to what has taken place in the
18 past.

19 With regards to the research, there was three
20 different methodologies that we went ahead and utilized.
21 They're listed in front of you. Two of them are
22 quantitative. One of them is qualitative in nature. They
23 started in late '05 with regards to our League's annual
24 conference. You participated in that. That was in
25 October when we launched the one on ones which also

1 occurred in October and November and wrapped up in
2 December. The one on ones, basically the RFP requested
3 that we go ahead and do focus groups. As you can all
4 imagine, getting Mayors and Councilmembers and Board of
5 Supervisors into a room for two or three hours to a focus
6 group proved challenging if not impossible.

7 So we talked to our researcher, Charleton. And
8 in conjunction with the Board, we decided we would do over
9 the telephone in-depth interviews that would last 20
10 minutes to half an hour. That's how we tackled that task.
11 Again that's more qualitative than quantitative in nature.

12 We just wrapped up not too long ago the Internet
13 survey. We were able to interview 287 persons. Again,
14 this list came from some of our partners from the League,
15 SCAC, recommendations from the Board as well. As of right
16 now, all the research has been completed. We actually
17 gave a formal presentation to Communications staff, Public
18 Affairs, and the Program managers on the 21st. So they
19 were able to really understand what were some of the key
20 insights and discoveries that happened with regards to the
21 research.

22 We do have final reports. I'm not sure if you've
23 had a chance to see them or not. We were happy to provide
24 them to you. There is an executive summary and a final
25 report. And I know we tried to sneak into your May 2nd

1 Board retreat, but you had a very jam packed schedule. We
2 were going to share some of the research then. If you
3 would like for us to go ahead and reschedule something,
4 we'd be happy to do that. So that has all taken place.

5 As a follow up to the April 21st presentation
6 with staff and communications we held a couple days later
7 on the 26th the messaging session. The purpose for that
8 was obviously we were doing the research. We want to
9 understand what were people's awareness levels, what were
10 their perceptions, how do they want to be communicated
11 with, what were going to be some of the barriers. We went
12 out and had our meetings with them.

13 After we were able to have the research and look
14 at it and have it presented by our subcontractor,
15 Charleton, we then took a step back, met again with all
16 the Program staff to talk about what's popping up. What
17 are some of the key findings. How do we want to go ahead
18 and put that into messaging that will be the foundation
19 for any leave-behind materials we develop, any videos we
20 develop, any advertisement, any direct mail, any forms of
21 communication that lays the foundation and framework for
22 us to work off. Obviously as things move forward, things
23 will be tailored, we're always flexible and willing to
24 adapt. That was the basis for that. All of that
25 occurred. And I'm going to talk later on as I move

1 forward with regards to where some of that messaging is
2 showing up. I want to get through the research part of
3 that as of right now.

4 --o0o--

5 MS. KENNEDY: So what are some of the key
6 insights and what was the framework? Again I could spend
7 hours and hours and hours -- our researcher could spend
8 hours going on about this, but these are the different
9 categories in front of you that we ask questions about
10 with regards to the research. The key metrics that we're
11 obviously looking to uncover, awareness, acknowledge why
12 would they choose a product, not choose a product,
13 motivators and barriers, and what would be factors that
14 would help them choose to use the materials that we want
15 them to.

16 --o0o--

17 MS. KENNEDY: Some of the first key insights.
18 First of all, the good news is we started off with some
19 very broad questions with regards to the Board awareness
20 levels just to get a framework to see do people really
21 understand what you do in general.

22 The good news is yes, they do. Seventy-nine
23 percent of them actually had a pretty good understanding
24 and are familiar with what you do and broke out a little
25 bit on how they view you as in charge of policies,

1 regulations, or are you just in charge of the waste
2 stream. Are you in charge of recycling. So there was a
3 little bit of a mixture in the reaction to that. Most
4 people are very familiar.

5 We want to start with some broad questions with
6 regards to recycled content materials. We didn't want to
7 lead them right off the bat. So with regards to the
8 products we're trying to promote, those were not really
9 top of mind. Most people started to list off recycled
10 paper, because everybody uses that. With regards to the
11 four products we're trying to promote, they actually made
12 up less than half the responses. The organics, mulch and
13 compost made about 24 percent. That's very top of mind
14 for people. RAC made up about 13 percent. And then your
15 recycled aggregate about 7 percent. They were not top of
16 mind. We just made a very broad question.

17 Two really interesting key findings are the two
18 second bullet points. Environmental benefits is the main
19 reason people cited for choosing the products. But at the
20 end of the day, it's really boiling down to performance
21 and the cost and the durability of the products is why
22 they would actually choose to go ahead and utilize them.
23 In fact, performance, costs, durability, and safety,
24 maintenance all basically ranked the same. Ninety-one
25 percent of the respondents said they choose it for

1 performance. Ninety percent stated cost. Eighty-nine
2 percent stated durability. And 88 percent safety.

3 But that is not when you ask the open-ended
4 question, why would you do it. Most of them think it's
5 environmental, but when you probe, it becomes these other
6 issues. And actually when we first asked the question, 64
7 percent would choose it for environmental reasons. So you
8 can see there's a difference in that.

9 --oOo--

10 MS. KENNEDY: The other good news is that
11 respondents are very positive towards our products, what
12 they know with them. What you're going to find is there
13 is difference in awareness levels. Obviously, organics,
14 everyone is very familiar with those. Eighty-five percent
15 of the respondents view that very favorably. It's started
16 to drop a little bit as we moved on. Sixty-one percent
17 for RAC. Fifty-six percent for recycled aggregate. And
18 TDA is not as well known as the rest of the products. And
19 58 percent were unable to rate their opinion because they
20 truly didn't understand what the product did or what the
21 uses or benefits were. So you can see how we're going to
22 want to structure our outreach.

23 Clearly, we're going to touch on all four topics,
24 but there's going to be more of an education curve
25 occurring with TDA and recycled aggregate. Basically,

1 we're emphasizing again that everybody thinks the reason
2 they're choosing it is for environmental reasons, but when
3 they're pushed and probed, really cost is the issue.

4 --o0o--

5 MS. KENNEDY: When we asked the respondents, are
6 you interested in getting more information or not, there
7 is a desire. They want to be educated. They want to
8 understand. They want the information to be easy so they
9 can move forward and make decisions quickly and
10 accurately.

11 We designed the survey to ask the question pretty
12 early on what's your likelihood to use the products. We
13 went back and asked the same question later on. Called
14 early ballot versus a late ballot. This is after we've
15 had a chance to talk to them, answer, have them give
16 definitions on the products, et cetera.

17 What we noticed was that with regards to the
18 organics and the RAC, there wasn't that much of a jump.
19 People really did understand what those products do, what
20 their benefits are. There's still room for education
21 across the board. But with regards to recycled aggregate
22 and TDA, we definitely saw a jump. There was a six
23 percent jump on the early ballot versus late for the
24 recycled aggregate and a 10 percent on TDA, again proving
25 the point that TDA really does have a long way to go. We

1 need to educate people on what that product is and what
2 the benefits are.

3 Key messages. We tested several key messages.
4 We won't go into a lot of detail about what those are.
5 Information, final report is available. Obviously, it
6 needs to address cost savings. That's a huge thing we
7 need to go ahead and overcome. E-mail and direct mail are
8 preferred modes of communication. They were also -- 82
9 percent of the respondents stated that if we had easy to
10 access information on the website they would be more than
11 likely to visit that site to download that information as
12 well.

13 And with regards to our communication, it must be
14 very broad or very targeted, again depending on who we're
15 reaching out to. When we're talking to potentially a
16 mayor, more of a general overview. But depending on some
17 of the mayors, they're going to have some specific
18 questions depending on how engaged they are. If we come
19 into public works, we need to get very technical and be
20 able to answer some very specific questions for them.

21 --o0o--

22 MS. KENNEDY: One of the last things that we
23 tested was creative concepts, what are people going to
24 respond to. Concept number one and concept number two,
25 you can see overwhelmingly everyone chose concept number

1 two. That is what Ogilvy is moving forward with, and
2 you'll actually see an application of that a little bit
3 later on.

4 --o0o--

5 MS. KENNEDY: So I want to basically review some
6 additional activities that have been taking place in
7 addition to the research. As a result of getting the
8 research finalized, we are able to move forward and start
9 developing a lot of the creative materials. Two of the
10 specific things that we're in the process of working on
11 and the initial other items include the print ad. I'll
12 show that to you in just a second. But we developed our
13 first print advertisement for placement. You can see the
14 different publications it will be appearing in during the
15 May/June/July time frame.

16 We're having a heavy push on advertising in
17 publications that are going to be viewed by our target
18 audience in order to help launch the campaign. At the end
19 of the day, the meetings with the stakeholders are
20 important but just one meeting is not going to get the job
21 done. We need to bombard people with this information
22 over and over again in a nice way. So, one, we want them
23 to be able to see something in the publications they read.
24 We'll be attending conferences and summits and we'll need
25 to follow up with them. It's not just one meeting. It's

1 going to be additional follow up, direct mail, e-mails,
2 getting our third party allies to do outreach as well to
3 go ahead and convince them to share their stories.

4 So the print ad has been developed and will be
5 appearing in those issues. We'll be getting tear sheets.
6 More than happy to forward those in your direction as we
7 see them.

8 The marketing materials, basically what we're
9 calling the leave behind for the meetings the pieces of
10 information we're going to take with us. We've gotten the
11 first draft approved. We're in the process of doing a
12 second draft. That will be going with us to all the
13 different meetings. It is going to be a piece that has an
14 introduction from the Chair, which I believe is sitting
15 with you some of the wording right now.

16 And then we're going to have an overview of each
17 different section basically to see what the product is,
18 what the benefits are, and the benefits from not only an
19 environmental perspective but the cost perspective since
20 we need to address that. There will be an at a glance
21 benefit sheet so a very busy staffer can, at a glance, see
22 all the different products and see what the benefits are,
23 what the uses are, who the contact is, and be able to take
24 the quick action. And we're also going to go ahead and
25 include a cost analysis sheet. So again at a glance, they

1 can compare these products versus other types of products
2 and what the cost differentiator is.

3 So next steps, what are we doing next? Obviously
4 finalizing the leave behind materials. We'll be
5 developing the second ad. When I show you that in a
6 moment, I'll explain to you, but there's going to be a
7 couple different versions of that. We're developing a
8 video to compliment the leave behind, an eight-minute
9 video that will touch on each different topic. The video
10 is going to do a product introduction, review the product,
11 show the product, and then actually support that with
12 talking heads so to speak. Basically, third party allies
13 giving testimonials. That's what that's going to involve.
14 And then as a follow up, there will be direct mail,
15 distribution, e-mails, and continued outreach.

16 --o0o--

17 MS. KENNEDY: That's at a glance the print ad
18 that's going to be appearing. The big picture that you
19 see at the top, that's recycled aggregate. The smaller
20 one is obviously an organics material. What we're going
21 to be doing is since the ads have allowed us to purchase
22 multiple spots, that will be revolving out. So the
23 picture of the aggregate will change and will eventually
24 be organics and then go to RAC or whatever the order is
25 that we choose. So everybody will kind of get their fair

1 share.

2 --o0o--

3 MS. KENNEDY: So the meetings with the key
4 decision makers, Jon talked about this briefly. What
5 we're going to do it go ahead and start with a pilot
6 program, so to speak. We're going to go into five
7 different jurisdictions, which I'll review with you in
8 just a moment. We strongly believe we need to go out
9 there and talk with folks first, see how they react, see
10 what the uh-huh moments are, see what we need to tailor or
11 do differently before we go out and meet with all 60
12 jurisdictions.

13 So we have actually chosen the pilot program
14 areas in conjunction with Program staff based on either
15 low usage or need to go ahead and we see some movement but
16 they need a little bit extra nudging so to speak. At each
17 of the meetings we'd be addressing in general all of the
18 four products, but we are choosing the different sites to
19 maybe focus on one or two because we obviously can't talk
20 in depth in the 20 or 30 minutes on each topic with them.
21 So the Program staff and Public Affairs, we've all chosen
22 these together. We actually have made contact with every
23 single jurisdiction at this point in time and we're going
24 back and forth with scheduling staff to get on their
25 calendars.

1 Before we go ahead and actually do those
2 meetings, we're going to have a meeting internally with
3 Program staff and Communication staff to make sure that
4 everybody knows what the messages are, how is the
5 presentation going to unfold, make sure everybody is on
6 the same page. And again, we're scheduled to go out in
7 June at that time frame.

8 So how do we keep you abreast and so you know
9 where we are, who we're talking to so you're not on a
10 plane sitting next to somebody and didn't realize we went
11 and talked to them. We have developed a master calendar
12 that has been circulated against all of the staff. We
13 know what their schedules are. We know when people are
14 out. We've obviously blocked out certain days when
15 everybody is going to be in Board meetings. You'll be
16 receiving those from us on Mondays. You'll be able to at
17 a glance see where we're going, who we're meeting with,
18 who's in attendance. Obviously, things might shift back
19 and forth. And if there's certain ones we believe it
20 makes sense for you to attend, obviously we'll be
21 working with Jon to find out where your interest is, and
22 we'll make sure you're scheduled in advance to attend
23 those meetings as well.

24 --o0o--

25 MS. KENNEDY: This is the target list for the

1 pilot program. You can see what we tried to do was make
2 sure that we targeted different areas up and down the
3 state. We didn't want to just cluster Northern California
4 or Southern California, for example. And you can see off
5 to the right-hand side the recycled material focus.
6 Again, some of them have multiple. Have some less. But
7 this is based on input from Program staff and the need
8 within the jurisdiction.

9 --o0o--

10 MS. KENNEDY: Couple other key activities. One
11 of the things that we've been doing is spending a lot of
12 time meeting program managers and content experts. One,
13 we want to try to get into their minds as much as
14 possible, come up to speed as much as possible. This is a
15 very complex issue. And obviously since we're dealing
16 with four different products, there's a lot to it. And
17 especially with the goals that you have, you're not just
18 trying to introduce the decision makers to the topic, you
19 want them to take action. So it gets a little bit, you
20 know, more complex so to speak.

21 So we've been meeting with them. We've had
22 multiple meetings with all of them. They've been very
23 gracious and informative. They've helped introduce us to
24 some content experts. I've listed a few of them up there.
25 There have been some tours we've been able to go on so we

1 can see, touch, and feel the different products and
2 everything, and that is still continuing to this day. So
3 I think it's an ongoing process for us. So we're very
4 appreciative of that.

5 Media relations, again another way to make sure
6 that the people that we're trying to focus on and reach
7 out to are just constantly exposed to what we're trying to
8 do. It's just another reminder to them. So we've created
9 a media database. We're doing an audit right now with
10 regards to all the materials. Obviously you're finding
11 lots of RAC articles, which is not a surprise. We'll
12 probably find out we need to really focus on aggregate and
13 TDA.

14 We're going to develop an editorial calendar in
15 conjunction with Public Affairs staff, start pitching in
16 June. And obviously we've already submitted -- I'm not
17 sure how many of you know -- but an article to Western
18 City magazine for the July issue focusing on RAC that has
19 been bylined by the Chair.

20 --o0o--

21 MS. KENNEDY: A few other activities that we'll
22 be doing is we have developed a list of various
23 conferences that are taking place across the state, and
24 we've also done analysis of the various COGs, Council of
25 Governments, and their meetings and everything. So

1 obviously our first focus is to do the one-on-one
2 meetings, but we do have on our agenda to make sure we go
3 to the League Conference, the CSAC Conference, all the
4 other conferences, and as appropriate try to fill in maybe
5 an attendance at a certain COG meeting, so we'll sprinkle
6 in one or two of these a month as appropriate and based on
7 staff's schedule to keep us top of mind.

8 Paid advertising. I mentioned this a little bit
9 earlier. You say the print ad. The plan has been
10 developed. The buys have been placed. You have presence
11 throughout the remainder of the contract. Really, really
12 heavy push early on the first couple months through
13 October and then basically we lighten up a little bit
14 during November and December and then come back with a
15 heavy push towards the end. So there will be multiple
16 publications. Those are all going to be full page ads.
17 They're all designed to reach key decision makers, whether
18 it's local, statewide, what have you.

19 This is a listing of some of the publications
20 that are going to go ahead and appear in the July/August
21 time frame. Your total circulation reached, amount of
22 people that will be reached through all this is over 2.6
23 million. So that's what it outlines. We do have a
24 comprehensive flow chart and strategy plan. So if you're
25 interested in seeing that, we'd be more than happy to

1 forward that to you.

2 --o0o--

3 MS. KENNEDY: And at the end of the day,
4 measuring results. What have we accomplished? These are
5 some of the measurement metrics that were established from
6 our RFP and our response to it. Obviously, the outcome of
7 the meetings with decision makers. And basically what
8 we're going to be doing here is, did they show an
9 interest? Did they make a commitment to take action?
10 Clearly it will depend on when we meet with them, the
11 timing, what is their fiscal budget, how does it all fall,
12 and how quickly they can move on some of this. But we
13 want to have them make some type of commitment to be able
14 to take some type of action.

15 The project inventory report, we're trying to get
16 together information from all the jurisdictions to
17 determine a baseline level of not awareness but usage and
18 track that. Did they increase their usage of RAC by X
19 percentage or what have you? We'll probably see some
20 movement in certain jurisdictions more so than others.
21 That's expected. Program staff is expecting that, but
22 we're going to be monitoring that.

23 More of a process output versus outcome. How
24 many materials did we distribute? How many requested
25 them? And then obviously we'll be doing an analysis of

1 the media relations efforts, the advertising, and the
2 amount of hits that are going to your website.

3 And that concludes the report today. If there's
4 any questions.

5 CHAIRPERSON BROWN: Thank you very much.

6 Gary, don't push it. Go ahead.

7 BOARD MEMBER PETERSEN: Well, I can't tell what
8 color it is, so I just keep pushing it.

9 CHAIRPERSON BROWN: So did you see the twelve
10 color ad they did and the whole thing?

11 BOARD MEMBER PETERSEN: This is great. I like
12 the approach in this. This is grand.

13 A couple things. When you're doing your
14 outreach, early adopters, people who help us move the
15 agenda along on the educational stuff is USGBC, the trades
16 doing green building, because a lot of these
17 municipalities, cities, and jurisdictions if they have
18 their act together are already hiring some of these people
19 to do stuff for them. And when I see the reactions from
20 the -- especially if this is coming from the State level,
21 when I see the trades who pick up -- they'd write articles
22 for nothing. I mean, they would just be able to watch
23 this whole process roll out, because they know indirectly
24 it's going to create more business for them.

25 MS. KENNEDY: And added value.

1 BOARD MEMBER PETERSEN: And they look like heroes
2 and we'd get what we want and even more. I'm just
3 thinking I would take a look real good at looking at some
4 of those people and the architects that are involved in a
5 lot of this stuff.

6 MS. KENNEDY: Definitely.

7 CHAIRPERSON BROWN: Thank you, Gary.
8 Cheryl.

9 BOARD MEMBER PEACE: I just had a couple
10 questions. As Jon said, I was very disappointed to see it
11 took so long to get off the ground, so I hope we're ready
12 to fly now finally.

13 In the surveys that we had during the research
14 part of the stage one with the end person surveys, the
15 stage two and stage three, can you explain to me why it
16 was important to do all three of those things? Were we
17 surveying different things in each one of those and one on
18 one or versus the online where we're surveying
19 different --

20 MS. KENNEDY: The difference is qualitative and
21 quantitative. The RFP requested one of each. But since
22 we were going to go ahead and be at the conference, the
23 Board decided it would make sense for us to basically
24 introduce the campaign and launch it and go there first.
25 That's why we actually added the League Conference in,

1 just from a timing perspective. The Board was already
2 going to be there. They might as well take advantage of
3 it and basically get some information kind of cheap and
4 free. So that added that element.

5 The RFP did request qualitative and quantitative.
6 The qualitative, the ones-on-ones we did with the focus
7 groups, gains more of an in-depth. It's more of a
8 conversation with a limited amount of people we talked to.
9 I believe it's 28 people in-depth to really just have a
10 discussion with them and see how they felt about things.
11 We take that information. We can't apply to the masses.
12 It doesn't work that way. But it helps us get inside some
13 of the people's minds. And we were able to talk to
14 elected officials, public works, parks and rec. It's
15 across the board to really see who understands what, who
16 thinks which way, how they react. Are they reacting a
17 little bit differently, which they are.

18 And then we were able to take some of those
19 questions, that information, formalize the full-on
20 internet survey that was quite comprehensive. Margin of
21 error plus/minus 5.8 percent which is really, really good
22 and expand that out and ask some broader questions and be
23 able to say yes. Basically, with that 5 percent margin of
24 error, this is what everyone is thinking and we can apply
25 that to the masses and apply that to all the people that

1 we'll be reaching out to. From that, we can go ahead and
2 form some of the decisions we need to make, such as we
3 really need to address the cost issue and come up with an
4 answer to that and one that everyone can live with and
5 back behind and move forward with.

6 Does that answer the question?

7 BOARD MEMBER PEACE: In all these surveys that we
8 did, was there anything that really came out that we
9 really didn't already know? It says when we come down to
10 the main reason, they say environmental benefits but it
11 really comes down to cost, performance, durability. I
12 think we basically pretty much already knew that. What
13 jumped out at you, what kind of things --

14 MS. KENNEDY: I think there's a couple things --

15 BOARD MEMBER PEACE: -- that was really something
16 we weren't expecting?

17 MS. KENNEDY: I think there's a couple of
18 different things. First of all, the research was required
19 by the RFP. It was mandated we do that. And I'm not
20 quite sure what everybody on the Board knew or didn't know
21 going into this, but we were trying to follow the protocol
22 of the RFP that was issued. A couple things that jumped
23 up -- and again, we probably should have shared the full
24 research findings because I don't think that all of you
25 have seen that, but broke it down to all the different

1 products and what the attributes that ranked high for each
2 of them, and they vary per product. So unless that
3 information wasn't available to the program managers,
4 which based on their reaction at the meeting it wasn't,
5 some of them, there was some surprises. Some things it
6 was like, yeah, that confirmed what we thought. That
7 confirmed what we were hearing, but there were some other
8 things that, wow, we really thought we were pushing this
9 hard, and that's not ranking very high with people. And
10 why is that? So there were some different attributes with
11 regard to the specific products that came out differently
12 than what Program staff actually thought they would.

13 ASSISTANT DIRECTOR MYERS: There was a matter of
14 certain jurisdictions, certain elected official making
15 note of the fact that isn't as available to us here when
16 our staff is thinking the opposite that, you know,
17 research materials are readily available for you. So I
18 think that items like that threw us off.

19 BOARD MEMBER PEACE: The inventory for potential
20 projects, how many did you come up with? Did you say --
21 was that where you said 60 in the inventory?

22 MS. KENNEDY: Sixty. We're going to meet with 60
23 jurisdictions.

24 BOARD MEMBER PEACE: But how many potential
25 projects did you come up with?

1 MS. KENNEDY: There's not a specific number of
2 projects. For example, the TDA and the RAC program
3 managers want to go ahead and kind of give us some of
4 their targets as they go along because of the way they're
5 working and they're going ahead and doing their programs,
6 so their information is a little bit forthcoming, so to
7 speak. Is that a good way of putting it?

8 ASSISTANT DIRECTOR MYERS: Each of these
9 jurisdictions we did work with Program staff on and each
10 of them were picked because of the potential of projects
11 in each of those jurisdictions.

12 MS. KENNEDY: Right. We weren't targeting
13 jurisdictions that were really using material at a high
14 level.

15 ASSISTANT DIRECTOR MYERS: To give you an exact
16 number, I don't have that. But each was picked with the
17 potential of projects going on in that jurisdiction.

18 BOARD MEMBER PEACE: I guess I'm just asking how
19 were they picked other than talking to our staff,
20 potential projects.

21 ASSISTANT DIRECTOR MYERS: It's staff and some of
22 our stakeholders. We did get together in regards to some
23 of the composting projects that are out there that are
24 organic projects. We did work with the Organics -- U.S.
25 Compost Association and members like that looking at what

1 jurisdictions are in the know. We have staff that are out
2 there every day. You know, in this jurisdiction list, we
3 couldn't define all of them right now. We know we have
4 the time to hit 60. And not every single one of them has
5 been picked out for since some of the RAC items. We're
6 looking at jurisdictions that have the potential for
7 projects. But as we move forward in giving out some of
8 our grants, some of those jurisdictions are going to get
9 picked up and hit and probably taken off our list we
10 already have. We don't want to go back and hit somebody
11 we've just given money to. So they'll be taken off our
12 list and we'll keep working with Nate and Mitch and Jim
13 Lee's staff to find new jurisdictions that are still right
14 for RAC or whatever the material is.

15 BOARD MEMBER PEACE: I guess it was my
16 understanding when we started this that our staff didn't
17 have the time to go out and do this, which is why we hired
18 somebody. But we were going to go out and look across the
19 state and see what roads are planned, what projects are
20 planned, which ones we can hit, so was that --

21 ASSISTANT DIRECTOR MYERS: Sure. We actually had
22 talked about -- I don't know if that was actually in the
23 plan. I think it was mentioned that we would contract out
24 to do that, and I'm trying to recall if that even got put
25 into the Scope of Work.

1 BOARD MEMBER PEACE: So that wasn't part of the
2 inventory of potential projects?

3 ASSISTANT DIRECTOR MYERS: What we discovered was
4 we could save ourselves a lot of money because we have
5 that expertise here in house. We have the knowledge and
6 the experts right here in CIWMB that can tell us this.
7 That's why we brought in staff to work on this project.

8 BOARD MEMBER PEACE: Like in Task 3 where the
9 budget says \$55,000 for potential projects, that won't
10 cost that much and that can actually go into
11 implementation --

12 MS. KENNEDY: We have not spent that much money.

13 ASSISTANT DIRECTOR MYERS: Like I said, we've
14 been able to stay way under budget so far.

15 BOARD MEMBER PEACE: And then that's also -- the
16 identifying target jurisdictions, that was also done with
17 our staff?

18 ASSISTANT DIRECTOR MYERS: Yes.

19 BOARD MEMBER PEACE: And then I have another
20 question. When I come down to the measurement in the
21 budget, do you see any shift in the numbers of the
22 measurement and the reporting? I guess I'm just wondering
23 why those are so high, if you could just explain a little
24 bit.

25 MS. KENNEDY: I think what you're referring to is

1 the amount we allocated for our reporting budget.

2 BOARD MEMBER PEACE: The last one I had was
3 \$140,000. Was that for reporting? Is that for reporting
4 for us?

5 MS. KENNEDY: Are you talking about Task 1 or
6 Task 8?

7 BOARD MEMBER PEACE: Task 8.

8 MS. KENNEDY: Task 8 is a combination of fees and
9 out-of-pocket costs. Fees is our time. Out of pocket
10 would be use of materials. What it basically boils down
11 to is having done contracts like this for over 20 years
12 with Ogilvy in general, we are doing more than just
13 presenting to the Board. We have weekly meetings with
14 Jon. There's weekly contact reports that are done. We
15 have regular meetings with your Program staff. We are
16 going ahead and meeting with additional people and content
17 experts. We are generating activity summaries on a
18 monthly basis, invoices on a monthly basis. Obviously,
19 there will probably be more than two presentations to the
20 Board. That was all that was listed.

21 There will be final reports. There's quarterly
22 updates we're doing. All those things actually fall into
23 that reporting category. What is listed in the RFP
24 sounded like two presentations to the Board and a final
25 report. We knew that was going to be much more

1 comprehensive than that. When you actually break that
2 number down, it's basically \$4,000 a month for us to
3 manage this whole entire contract and do all those
4 meetings with Jon on a regular basis and provide the
5 updates.

6 CHAIRPERSON BROWN: I know that this is
7 important, but this is not what this discussion item is.
8 I think you'd be happy to schedule a meeting to discuss
9 the budget separately. The items that you're talking to,
10 Cheryl, none of the rest of us have a copy of that budget.

11 BOARD MEMBER PEACE: I just assumed it was given
12 to everybody.

13 ASSISTANT DIRECTOR MYERS: You've had it at one
14 time.

15 CHAIRPERSON BROWN: We've had it. It's not part
16 of this presentation. And since it's not, it probably
17 would be beneficial to delay that discussion. Or I'm sure
18 that you've got time this afternoon if you want to sit
19 down specifically and go through budget items. That
20 probably -- for any Board members that are interested in
21 doing that. And then just sort of keep to the
22 implementation questions as to the presentation that we're
23 doing right now to keep us moving along.

24 Gary, you had some questions, and then Pat as
25 well. Do you have questions before?

1 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

2 I just want to volunteer some time here, because
3 this is the building of the recycling infrastructure in
4 the state where we need to go. So I'll make myself
5 available to help when we go to make some of the
6 presentations to some of the public officials and some of
7 the people I know that we can bring in to cultivate the
8 market to make this happen. I want to help make this
9 happen.

10 ASSISTANT DIRECTOR MYERS: Put your roller skates
11 on.

12 BOARD MEMBER MULÉ: We already signed you up.

13 MS. KENNEDY: We'll be talking to Chris to get
14 your schedule.

15 BOARD MEMBER PETERSEN: Thanks.

16 CHAIRPERSON BROWN: Thank you, Gary.

17 Pat.

18 BOARD MEMBER WIGGINS: I have two questions. I
19 guess this is for Jon. What is the difference between the
20 Charleton Research Company, because they did research and
21 interviews, and Ogilvy?

22 ASSISTANT DIRECTOR MYERS: Ogilvy is the primary
23 contractor with us. Charleton is a subcontractor of
24 Ogilvy.

25 BOARD MEMBER WIGGINS: So in Charleton's, they

1 say organics are generally handled by Parks Department
2 rather than by the types of people we primarily interview.
3 So they were not particularly informed about the uses or
4 decision making process for organics. So I'm not sure
5 what that means. But I guess it means because in the city
6 of Vallejo that is a targeted jurisdiction for the Bay
7 Area, organics are one of the issues. So I guess it's are
8 you outreaching the Parks Departments? Are these local
9 Parks Departments.

10 MS. KENNEDY: First of all, I'm not sure where
11 you're reading from.

12 BOARD MEMBER WIGGINS: On page 5 of the Charleton
13 study it says, "Organics are generally handled by Parks
14 Departments rather than by the types of people we
15 primarily interview. So they were not particularly
16 informed about the uses or decision making process for
17 organics."

18 Then on your list you have for the Bay Area
19 region, city of Vallejo, recycled materials, organics.
20 And I assume that must be through the City's Parks
21 Department. So the question is, are you outreaching to
22 Parks Departments?

23 MS. KENNEDY: Yes. They will be included as
24 warranted. And with regards to what was --

25 BOARD MEMBER WIGGINS: What does as warranted

1 mean?

2 MS. KENNEDY: Based on input from the Program
3 staff where they want us to focus. Again, a lot of the
4 jurisdictions in the focus, what they wanted to focus on
5 was based on input from the Program staff. So when we
6 talk about --

7 BOARD MEMBER WIGGINS: Program staff meaning our
8 staff?

9 MS. KENNEDY: Yeah.

10 BOARD MEMBER WIGGINS: Can you explain that
11 better?

12 ASSISTANT DIRECTOR MYERS: Say that again.

13 CHAIRPERSON BROWN: Is that staff's preference to
14 focus first on RAC and then TDA? Is that our hierarchy of
15 programs and products we would like to push because of our
16 Five-Year Tire Report?

17 ASSISTANT DIRECTOR MYERS: Depending on the
18 jurisdiction. We looked at the jurisdictions and see what
19 the opportunities are for that jurisdiction. When we got
20 together with Program staff, you know, whether it be
21 tires, TDA, organics, recycled aggregate, we took a look
22 at what are your priority jurisdictions. Where are the
23 projects aligned? That's what we put together. In the
24 case of Vallejo, we looked at the organics needs for that
25 city, what we would be doing.

1 Most of our outreach or our efforts were
2 concentrated on the decision makers, the elected
3 officials, mayors, city council members, and public works
4 departments, because most of the items we're dealing with
5 are going through public works departments. When we were
6 doing all this research, we found certain cities such as
7 Vallejo deal with those materials through their parks and
8 rec. So yes, we will be focusing on making sure that
9 we're meeting with the park and rec department for that
10 jurisdiction.

11 BOARD MEMBER WIGGINS: That's very good to hear.

12 ASSISTANT DIRECTOR MYERS: The idea is to make
13 sure we're hitting the right people. From the start of
14 this whole contract, make sure we're hitting the right
15 people who will help make the decisions and create markets
16 for these materials.

17 CHAIRPERSON BROWN: Any other questions?

18 Can you push that speaker button for me, Jeff?

19 BOARD MEMBER DANZINGER: Which one do you want me
20 to push now?

21 CHAIRPERSON BROWN: Press the blue button and it
22 will turn to red.

23 Member Danzinger.

24 BOARD MEMBER DANZINGER: Thanks for the
25 presentations. Good stuff.

1 One thing I was curious about -- and I apologize
2 if this has already been obvious in the report. I'm
3 trying to get a clear understanding of how substantial the
4 peer to peer element of this activity is. I mean, you say
5 like our staff is going to be involved and people like
6 Gary involved. How much peer to peer contact is there
7 going to be? Because I always thought it would be
8 advantageous if you've got public works director of city X
9 that has used this product and it's worked really well and
10 they call or meet with, are the broker, with other folks
11 saying, you've got to use this stuff. It's killer.

12 MS. KENNEDY: Exactly.

13 ASSISTANT DIRECTOR MYERS: Both just eager to
14 answer that one for you.

15 Changing behavior is never easy. And anyone in
16 the PR industry can tell you that one of the hardest
17 things to do is to change the behavior of the masses. Add
18 the element of elected officials and an entire city or
19 local jurisdictions, it makes it even that much tougher.
20 We're out trying to do some great things here, and that's
21 change behaviors on an entire city on what they purchase
22 and how they purchase.

23 With that said, one of the key things that we
24 think we feel will really help our cause is peer to peer,
25 is here in California we're lucky because we have many

1 jurisdictions that have already undertaken this on their
2 own. City of Thousand Oaks is a great example. I'm sure
3 Mitch and Jim Lee and staff will nod their head to that.
4 Thousand Oaks is a great example of the use of RAC, you
5 know. And it's also my hometown so I like to sing their
6 praises. But half the city is -- I'm making that number
7 up. But there's a lot of RAC in that city. They're a
8 great example.

9 So one of the things -- and it's funny because
10 Rachel who's here with Ogilvy as well just got off the
11 phone with Thousand Oaks, and they're talking about how
12 we're going to be able to utilize them and some of their
13 projects in our marketing efforts. There are other cities
14 that have done great things with TDA, with organics, and
15 recycled aggregate. We've been working with staff to find
16 those projects, to find leaders of those projects, whether
17 it be a mayor, a council member who helped lead that
18 project, and utilize that.

19 I think Beverly talked about the video of that we
20 were going to put together as part of the leave behind.
21 Part of that is the talking heads. Somebody from city of
22 Thousand Oaks nodding their head and saying what great
23 they have a done with RAC and such.

24 BOARD MEMBER DANZINGER: The process of doing
25 that, is that including Board staff getting in

1 communication with the folks that have used it? Because,
2 you know, if it's somebody from Ogilvy, not to say that
3 can't work and it will work I'm sure. But depending on
4 who it is on the other end of the line, they might see it
5 as no different than a call from a telemarketer, if it's,
6 you know, saying hey, can you tell us do this.

7 So is staff engaging in that communication as
8 well, because there's great credibility there? And often
9 if it's Jim Lee calling, I see he was an agent of an
10 organization that gave me money to do this. I sure am
11 happy to work with them. And you know, that our staff is
12 engaged in that process as well of saying, hey, can you
13 help us do this.

14 ASSISTANT DIRECTOR MYERS: When it comes to RAC
15 items, we get Nate Gauff because everyone loves Nate
16 because he's the one that hands out all the money.

17 BOARD MEMBER DANZINGER: We love Nate even
18 without the RAC program.

19 ASSISTANT DIRECTOR MYERS: Yeah. We discovered
20 early when we -- Charleton first sent out their online
21 survey, we discovered real quick that we needed to make
22 sure that we had our name and a face attached to that --
23 at least the name attached to that, because we got a lot
24 of calls back saying who are these people. They're using
25 our name. So we made sure that, you know, before that

1 survey reached everyone, we were out there first saying
2 you're going to get this survey.

3 As far as making contact with the local
4 jurisdictions, you know, Ogilvy has been working with our
5 staff to make those contacts. I think, you know, I can
6 remember several e-mails where our staff have made the
7 introduction already. Somebody from Ogilvy will be
8 contacting you or coordinating that effort.

9 And that leads right into why it's important for
10 us at least in the beginning here, and we'll see how it
11 works, that we have our staff involved in the initial face
12 to face meetings with local jurisdictions, with the local
13 leaders. Because we're not just selling materials. We're
14 also selling the fact that the Waste Board is there as the
15 leader in this effort.

16 BOARD MEMBER DANZINGER: Right. That's great.
17 Thanks.

18 CHAIRPERSON BROWN: Thank you, Jon.

19 Do we have any other -- Rosalie.

20 BOARD MEMBER MULÉ: Thanks, Madam Chair.

21 I just want to thank you, Jon, for the great
22 work, and all the staff people. Racial, we were on the
23 RAC and Roll Tour last November. Racial hung in there
24 with us for two days, two and a half days.

25 This is great, because this really in terms of

1 our whole focus on markets and market development and
2 completing the loop by getting the local jurisdictions to
3 use recycled content products, this is what it's all
4 about. And this is what we should be doing. So I'm
5 really pleased with the effort and I'm looking forward to,
6 you know, again to the future results of this effort.
7 Thank you.

8 CHAIRPERSON BROWN: Okay. Any other quick items?
9 Okay.

10 Then we will move on to Agenda Item 24,
11 Consideration of Commencing the Development and Adoption
12 of Board Governance Policies.

13 Elliot.

14 STAFF COUNSEL BLOCK: Actually I'm going hand
15 this off to Mark.

16 CHAIRPERSON BROWN: Thank you, Elliot.
17 Mark.

18 EXECUTIVE DIRECTOR LEARY: I'll pass it to Julie.

19 CHAIRPERSON BROWN: It's not a hot potato. It's
20 just an agenda item.

21 EXECUTIVE DIRECTOR LEARY: Actually, Madam Chair,
22 Members, Agenda Item 24 is Consideration of Commencing the
23 Development and Adoption of Board Governance Policies.

24 I'm not sure this item needs any introduction to
25 you members since you are the genesis of this item. As

1 you will recall in a discussion at an interim planning
2 workshop, the discussion revolving around developing a
3 series of policies by which the Board would govern itself
4 and define its relationship with the staff. And the
5 agenda item lays out several examples of the policies.
6 We'll discuss those policies relatively general and direct
7 staff to commence a process to select a contractor and
8 then to meet with you to develop and adopt those
9 policies.

10 So I turn it right back to you, Madam Chair and
11 Members. It's your governance process, and we as staff
12 welcome your decision making to this area.

13 CHAIRPERSON BROWN: Thank you, Mark and Elliot
14 and Julie, for everybody's part of their presentation.

15 Do we have any Board questions or comments of the
16 staff?

17 We do have one speaker, George Larson.

18 MR. LARSON: Thank you, Madam Chair, Members.

19 I just quick -- I'll use this agenda item
20 actually to pose the question, because I think it's an
21 excellent opportunity for particularly with new Board
22 members to undertake this activity, and I think it will
23 reap many benefits.

24 My question -- or actually my request is that in
25 the process of the discussion that is to go on pursuant to

1 this item that you review the Board's contracting policies
2 too, and in particular as it relates to going out to the
3 private sector for seeking services as opposed to, say,
4 interagency agreements with universities and colleges, not
5 that that's bad, but I think there might be a balance
6 between the two that you might consider that as you do
7 your deliberations. And to the point on this agenda item,
8 it isn't clear in here what process will be used for this
9 \$50,000, whether it's going to be an interagency agreement
10 or go out to bid. So that's all I want to add in to your
11 discussions if you'd consider that. Thank you.

12 CHAIRPERSON BROWN: Thank you, George.

13 It is going to go out to bid. It is not an
14 interagency agreement. And the process will be obviously
15 an open public process with all of the Board's
16 participation. And it is intended or is anticipated to
17 take at least a year to develop governance policies to
18 develop definitions and relationships between the Board
19 members and Board staff and all of that.

20 Any other questions, comments? Can we have a
21 motion?

22 BOARD MEMBER MULÉ: Madam Chair, I'd like to move
23 Resolution 2006-90.

24 BOARD MEMBER PETERSEN: I'd second that.

25 CHAIRPERSON BROWN: It's been moved by Member

1 Mulé and seconded by Member Petersen.
2 Jennine, could you call the roll?
3 EXECUTIVE ASSISTANT HARRIS: Danzinger?
4 BOARD MEMBER DANZINGER: Aye.
5 EXECUTIVE ASSISTANT HARRIS: Mulé?
6 BOARD MEMBER MULÉ: Aye.
7 EXECUTIVE ASSISTANT HARRIS: Peace?
8 BOARD MEMBER PEACE: Aye.
9 EXECUTIVE ASSISTANT HARRIS: Petersen?
10 BOARD MEMBER PETERSEN: Aye.
11 EXECUTIVE ASSISTANT HARRIS: Wiggins?
12 BOARD MEMBER WIGGINS: Aye.
13 EXECUTIVE ASSISTANT HARRIS: Brown?
14 CHAIRPERSON BROWN: Aye.
15 Thank you. It passed.
16 And we move to Agenda Item 25.
17 ACTING DEPUTY DIRECTOR SMITH: This is
18 Consideration of Approval of Allocation Proposal for
19 Plastic Collaborative Process Logistical Support to be
20 Funded from the Integrated Waste Management Account for
21 Fiscal Year 2005-2006. And Jerry Berumen with the
22 Plastics Technology Branch is here to present.
23 CHAIRPERSON BROWN: Thank you.
24 MR. BERUMEN: Good afternoon, Madam Chair and
25 Board members.

1 As John stated, my name is Jerry Berumen. I'm
2 with the Plastic Recycling Technology Section. I'd like
3 to start by acknowledging there is a typing error in the
4 agenda item under Section 3, Options for the Board, and
5 Section 4, Staff Recommendations. The Resolution number
6 should read 2006-91.

7 That being said, the California Integrated Waste
8 Management Board has been implementing the Rigid Plastic
9 Packaging Container law since 1996. Product manufacturers
10 regulated under this law have been providing feedback to
11 the Board indicating there is an insufficient supply of
12 postconsumer material, which is also known as PCM, to meet
13 demand. During the same period of time, the production
14 and use of plastic packaging has continued to increase.
15 Recovery rates, however, for plastic containers have
16 declined.

17 To address these problems, the Board is seeking
18 the participation of the plastic industry and other
19 interested parties to increase the collection of plastic
20 containers for recycling. To this end, Board staff held a
21 conference on October 12th, 2005, at the Cal/EPA
22 headquarters building. At the conference, Board staff
23 introduced and proposed the Plastic Container Cooperative
24 Recycling Initiative, which led to a January 25th, 2006,
25 kick-off meeting.

1 At that meeting, the group conducted a
2 brainstorming session to identify some of the main
3 obstacles in meeting demand for postconsumer material.
4 From this exercise, four working groups were developed,
5 and further brainstorming was conducted at a follow-up
6 February 26th, 2006, meeting, also conducted by Board
7 staff.

8 The working groups are divided into four topic
9 areas. One is processing infrastructure. Two is
10 collection infrastructure. Three is an education
11 component. And four is the development of market
12 development for postconsumer materials.

13 Group members will continue to meet monthly
14 through October 2006. They will then make recommendations
15 to the Board regarding key problem areas and container
16 types that the Board should focus collaborative efforts in
17 order to implement programs and projects that will
18 increase the collection and recycling of rigid plastic
19 packaging containers and other plastic materials.

20 Given that the Board's Plastic Recycling
21 Technology Section staff are fully engaged in implementing
22 the 2005 RPPC certification and considering recent section
23 staff turnover, staff is requesting that the Board approve
24 a funding allocation of \$25,000 from the Integrated Waste
25 Management Account to contract with the California State

1 University Sacramento College of Continuing Education to
2 provide the logistical and facilitation services that are
3 necessary for working with Board staff and stakeholders in
4 the four work groups to develop recommendations for
5 increasing the collection of plastic containers.

6 The collaborative process is designed to assist
7 in the proper functioning of the RPPC law, and outside
8 facilitation is necessary due to Board staff time being
9 fully committed to the implementation of the 2005 RPPC
10 certification.

11 Therefore, staff recommends that the Board adopt
12 Resolution 2006-91, approving Option 1, allocation
13 proposal and California State University Sacramento
14 College of Continuing Education as contractor to
15 facilitate the Plastic Container Cooperative Recycling
16 Work Groups in the amount of \$25,000, from the Integrated
17 Waste Management Account.

18 This concludes my presentation. I thank you for
19 your time.

20 CHAIRPERSON BROWN: Thank you, Jerry.

21 Jeff Danzinger.

22 BOARD MEMBER DANZINGER: You know, I have one
23 process question and then one policy question.

24 On process, I know we're proposing to do -- I
25 guess this would be an interagency agreement. But even

1 though we're not going outside, do we still need to make a
2 finding that we're not able to do this, that we don't have
3 the expertise or otherwise are not capable of doing this
4 ourselves before we do an interagency agreement, or we're
5 allowed to do that? Okay. So I guess my question is why
6 we're not doing that, why we're proposing not to do this
7 any more.

8 CHAIRPERSON BROWN: Mark, can you address this?
9 Can you address that more directly than Jerry?

10 EXECUTIVE DIRECTOR LEARY: I think I can help and
11 maybe Holly can have the final word.

12 I think the directive of the State Code we've
13 referred to in the past is doing it within State
14 government. By doing an interagency agreement with Sac
15 State in this case, we would actually be fulfilling that
16 requirement because we will not go outside of State
17 government or State employ to seek those resources because
18 they are, in fact, within State government.

19 STAFF COUNSEL ARMSTRONG: That's correct.

20 BOARD MEMBER DANZINGER: That is something we
21 have been doing. I was just wondering why we shouldn't be
22 doing that. Haven't we been managing these interested
23 party working groups all of these --

24 EXECUTIVE DIRECTOR LEARY: We have tried. But as
25 Jerry has suggested, resources are somewhat depleted here

1 in the short term and in the program.

2 BOARD MEMBER DANZINGER: It's a resources issue?

3 EXECUTIVE DIRECTOR LEARY: It is largely a
4 resource issue. And the collaborative approach has now
5 developed a four separate pronged effort, and it is rather
6 resource intensive to manage all four aspects of it is my
7 sense, that this additional help from Sac State will
8 facilitate the collaborative process and keep things
9 moving in a way that we as staff won't be able to do as
10 effectively.

11 BOARD MEMBER DANZINGER: Let me just ask how
12 confidently do we really feel that this is a solution to
13 the immediate problem we face, which is certification? I
14 mean, because when I looked at this chart and I saw how
15 this looks out to a date of December 2010 and we're at a
16 point in time here where there's enormous pressure to make
17 this program work and to get the effective parties to step
18 up to the plate and do something, when I see a date of
19 2010, I always feel like this plan has the imprimatur of
20 the industry itself.

21 SUPERVISOR LEAON: This is Mike Leao. I can
22 respond to that question. For the record, I supervise the
23 Plastics Recycling.

24 CHAIRPERSON BROWN: Can you speak up a little
25 bit? It's hard to hear you.

1 SUPERVISOR LEAON: Is that better? Okay. For
2 the record, I supervise the Plastics Recycling Technology
3 Section.

4 And the proposed project does go out to 2010, but
5 this particular contract only carries us through the next
6 six months or so. It's only intended to address the phase
7 of the project that deals with developing recommendations
8 about what are the barriers and what are the opportunities
9 for addressing those barriers in order to increase
10 container collection. So it doesn't address the entirety
11 of the project in the phases that it's been broken down
12 into. It's the initial assessment phase so to speak to
13 identify problems and barriers and potential solutions.

14 BOARD MEMBER DANZINGER: I understand that, Mike.

15 It just seems like when I read this item and we
16 start this discussion, it feels to me like I just got here
17 and the law was passed six months ago. And you know what
18 I mean? And I'm sure it's frustrating for you too. And
19 we're just starting. We seem locked like time stood still
20 in whatever the hell the year was that this law was
21 passed, because I've forgotten it was so long ago. I want
22 staff to say candidly right now how confident do you feel
23 about this process. Is this where we ought to be and what
24 the heck should we be doing here?

25 SUPERVISOR LEAON: The nexus between the RPPC law

1 and this initiative is that we've had feedback from
2 product manufacturers that have been included in the RPPC
3 certifications and also the trash bag certifications that
4 one of the principle barriers for them complying with
5 these laws is the lack of availability of quality
6 postconsumer material to meet the minimum content
7 requirements.

8 In addition, going back to the white paper
9 process in June of 2003, the direction we received from
10 the Board was to pursue collaborative voluntary process to
11 increase collection of materials. And this initiative on
12 the container side is following on the heels of the
13 process we went through on the film side. And so we're
14 about a year behind where we're at with the film products.

15 Where we want to get to on the container side as
16 well is coming up with a set of proposals or guidelines or
17 recommendations for how we can focus our efforts to
18 capture the materials that are currently not being
19 captured. And containers are still one of the low hanging
20 fruits in the waste stream. The PET rate calculated by
21 DOCs is still around 36 percent, and DOC has agreed to
22 participate in this process. So I would like to keep the
23 momentum going and work on the collection side of this
24 issue, and it would help to facilitate compliance with
25 RPPC.

1 BOARD MEMBER DANZINGER: I think when we say we'd
2 like to see the momentum continue, but I guess this would
3 be applicable to film plastics because there is some
4 momentum there.

5 I think what's frustrating for me -- I love this
6 process. I love this open process where stakeholders come
7 together and work on this stuff. And in so many other
8 areas, it's borne fruit. And it's propelled 939 forward
9 and sustains it and it's how we build on it. What's
10 unfortunate is this is a process where it's just dragged
11 out. And it almost seems like this is something where the
12 industry might look very favorably upon this because it's
13 just continuing the same old thing. I know we've got this
14 broader approach of legislation that, you know, deals with
15 the whole Plastics and Senator Chesbro's bill and it's all
16 great, but we still have this bill we have to enforce,
17 this law we have to move forward. And I'm just concerned
18 that sometimes doing nothing is, you know, not as bad as
19 doing something. I'm not saying we shouldn't do this.
20 I'm just saying I hate the false sense of security that
21 this process might be giving to people and the message it
22 might be sending. So anyways --

23 CHAIRPERSON BROWN: Thank you, Jeff.

24 BOARD MEMBER WIGGINS: Well put.

25 CHAIRPERSON BROWN: Any other?

1 We do have one speaker, Mark Murray, Californians
2 Against Waste.

3 MR. MURRAY: Madam Chair, Members, Mark Murray
4 with Californians Against Waste. I'm tempted to yield my
5 time to Board Member Danzinger on this issue because I
6 think he captured --

7 CHAIRPERSON BROWN: Sorry. He's not a speech
8 writer any longer. You'll have to speak on your own
9 behalf.

10 MR. MURRAY: Let me say that I'm envisioning --
11 we're opposed to any further investment in this
12 collaborative process at this time. I'm envisioning --
13 and again I want to echo Mr. Danzinger's comments that I
14 think that the collaborative process has worked in a
15 number of other areas in terms of moving the ball when it
16 wasn't really obvious what the problem is. And I'm not
17 sure it's going to help. I'm just envisioning a group of
18 us getting together in a room and staring at a garbage can
19 filled with plastic containers and somehow trying to will
20 those containers from the garage can into the recycling
21 bin. I'm not sure that talking about this issue any more
22 is going to fix the problem.

23 There are solutions out there to increasing
24 plastic recycling. The stakeholders don't agree on those
25 solutions. Yesterday, the State Department of

1 Conservation announced the 2005 recycling rates for all
2 beverage containers. California recycled a record 12.4
3 billion beverage containers including a record number of
4 plastic containers. Forty-five percent of the plastic
5 beverage containers covered by that program were recycled.

6 Now when you exclude those containers from the
7 RPPC recycling rate, the recycling rate for the regulated
8 containers, the non-food content containers that we're
9 regulating with this RPPC program, the recycling rate is
10 in the 6 to 9 percent range.

11 We need to provide consumers and recyclers with
12 greater incentive to pull those containers out of the
13 garbage bin and put them in the recycling bin. I don't
14 think we have to talk about that issue any more. There's
15 a gap between the cost of recycling and the scrap value,
16 the value of these materials. Somebody is going to have
17 to pay the piper. Somebody has to cover that cost of
18 recycling.

19 There is a difference of opinion between the
20 manufacturers of these containers, the manufacturers of
21 the product's that go in these containers, and the
22 environmental community recyclers and local government on
23 the other side. We're at loggerheads on this issue. And
24 I'm not convinced that your brilliant staff is going to be
25 able to bring those two entities -- these two disagreeing

1 entities together.

2 Right now, it seems to me that the best step is
3 for this Board to continue to move forward with doing the
4 best job you can to implement the flawed RPPC program and
5 communicate to the Legislature it's a flawed program. We
6 need a more comprehensive program, and we need a program
7 that gives us more tools to actually physically increase
8 the recycling of these containers. But I'm not sure we
9 need someone from any university or any more sitting
10 around a table talking to figure out what it is we need to
11 do.

12 So again, I support collaborative processes, but
13 I just don't think this one has borne any fruit. And I
14 think further investment in it would be a waste of those
15 resources. Again, no offense to the folks at Sac State
16 and the work they do. But I just think that it would be,
17 as suggested by Board Member Danzinger, a distraction.

18 Thank you.

19 CHAIRPERSON BROWN: Thank you, Mark. Before you
20 step away, we may have some questions for you in
21 particular before George -- well, why don't we have Mark
22 answer questions if they're specific to Mark.

23 BOARD MEMBER PEACE: Mark, when you said you
24 didn't support this and you don't support this going out
25 to university, but do you support our staff still doing

1 this, or do you think we just tell staff don't even go
2 there, don't waste your time?

3 MR. MURRAY: Don't even go there at this time.
4 Again, your staff has identified the problem. The basic
5 problem is increase the supply of containers. We have to
6 increase the recycling of those containers. There's an
7 insufficient supply. Absolute agreement among everyone,
8 there's insufficient supply. The containers are in the
9 garbage can. The waste characterization study shows
10 they're in the waste stream. We need to get them out of
11 the waste stream into the recycling stream. And we need
12 to create incentives for consumers and recyclers in order
13 to make that happen. That's what's not happening.

14 CHAIRPERSON BROWN: Thank you.

15 Do you have a question for Mark?

16 BOARD MEMBER MULÉ: Mark, I just have a quick
17 question for you. Thank you.

18 Could you explain to us what SB 1344 would do to
19 help, or does it help this issue at all?

20 MR. MURRAY: The intent of that measure -- and
21 really the intent of the previous Chesbro bill last year
22 of which this is intended to be a cleanup bill was to
23 create a new option in the RPPC law for alternative --
24 basically an alternative compliance option for folks to
25 utilize California generated postconsumer material in the

1 manufacture of some other product, not necessarily in
2 RPPC. So that was the idea to drive the market by
3 creating a safe haven for manufacturers that could show
4 that they're using very specifically California generated
5 postconsumer.

6 So this bill is intended to be a clean up of that
7 measure. And I don't -- you know, this is frankly in the
8 scheme of things a relatively minor, you know, fix that
9 may benefit and facilitate some handful of companies for
10 the first time pull material out of California.

11 BOARD MEMBER MULÉ: And to include it in a
12 broader range of product; correct?

13 MR. MURRAY: Exactly, to include it in a broader
14 range of products. The legislative vehicle is potentially
15 available for a more comprehensive solution. But I don't
16 want to pretend that this specific narrowly focused option
17 is going to solve our RPPC problems.

18 BOARD MEMBER MULÉ: Thank you.

19 CHAIRPERSON BROWN: Thank you, Mark.

20 George Larson.

21 MR. LARSON: Thank you, Madam Chair and Members
22 again.

23 I'd like to start off by maybe adding on to a
24 response to Ms. Mulé's question. It was Illinois
25 Toolworks who is one of my clients who is I guess the

1 genesis and idea came forward. And Mark and Californians
2 Against Waste supported the concept for this goal that I
3 think -- I believe everyone is working towards of creating
4 more opportunities for industries regulated under the
5 Plastics Laws and California to comply.

6 Flawed is the operative word when describing
7 plastics laws in California. And I think there's
8 opportunities. And, in fact, my client is also working --
9 continues to work on some maybe broader concepts that
10 might create the kinds of demand side structures that will
11 facilitate more materials going into the postconsumer
12 stream and coming out of the waste stream for a second
13 life.

14 I did want to comment also on Member Danzinger's
15 statement or question as to whether industry supported
16 this particular action on this particular agenda item. I
17 don't want to be an emphatic no, there's no support, but I
18 think I want to convey the message there's a serious
19 question what this Board and this issue will be served by
20 for this -- and I don't want to put it in dollar values as
21 being the measure of success. But 25,000 to a State
22 agency through an interagency agreement, if I can play on
23 my last testimony, is going to bring to this issue.

24 On the other hand, having been a staff member
25 here myself and I can appreciate when there are

1 insufficient resources to handle your mandates and your
2 tasks, you look for help anywhere you can get it. I don't
3 know, but I understand there may be some vacancies that if
4 filled might provide a more long-term solution to the
5 issues. So this is a short term solution for six months.
6 If that's the source that is chosen, perhaps there is a
7 discussion that we'll do this for six months, but we'll
8 get more resources allocated to this program.

9 In the mean time, we're meeting to death. I
10 mean, I'm on four committees myself, interested parties,
11 film, plastics. I love the collaborative process. I
12 think it's a good open process which this Board always
13 tries to support. I'm not sure what's coming out of it
14 now. So while spinning your wheels maybe is one tactic, I
15 think everybody on all sides of this issue would like to
16 see it move forward in a productive and constructive
17 manner. I'm just not sure this agenda item and this
18 action gets us much closer there. Thank you.

19 CHAIRPERSON BROWN: Thank you, George. I think
20 we all get meeting to death and can't get our work done.

21 Pat had some comments, and then Gary.

22 BOARD MEMBER WIGGINS: Yes. This reminds me,
23 after some of the discussion of the white paper on
24 plastics and about what happens internationally, the Green
25 Dock Program, and I think what happens here in California

1 and in the United States is that the Legislature and the
2 Governors and the President don't have any guts to vote
3 the kind of actions that have taken place in Europe and
4 Asia. That's it.

5 CHAIRPERSON BROWN: Thank you, Pat.

6 Gary.

7 BOARD MEMBER PETERSEN: Pat, you're right.

8 Okay. I want to back up.

9 And, Jeff, what you said was very well put.

10 The collaborative process -- and I understand how
11 it's working. And we have a benefit from the
12 collaborative process. It's the ag film which is going
13 forward. We have value for it here in California. And
14 we're going to start a program to collect that. And we're
15 going to do it in a very efficient cost effective way. So
16 that seems to be working.

17 But I also agree with Mark and this goes back --
18 I've been in the recycling business 35 years. You put a
19 value on a product, it comes out of the waste stream.
20 It's real simple. And for me, and I look at this and I
21 look at the rigid packaging or containers, and I look what
22 we've done at DOC in pulling PET out of the waste stream.
23 Well, you don't have to be a rocket scientist to figure
24 this out. And we don't have to meet to death and do this
25 for years and years and years. I think that we have a

1 footprint to follow, and I think we should do it. And
2 yeah we'll go back to the Legislature, but we say, no,
3 we'll change this, but everybody is going to do some give
4 and take here. I've said enough.

5 CHAIRPERSON BROWN: We always like you to say
6 more, Gary.

7 I don't think I have anything to add other than
8 the fact that I'm not sure this will produce the results
9 that staff intends for it to produce. I don't know that
10 bringing somebody else into further discussions is going
11 to get us anywhere. And I have not seen yet a report on
12 what the collaborative and cooperative recycling
13 initiative has brought. So I'm not ready to support
14 bringing a facilitator in until I find out what's
15 happening across the board anyway. I think it's a little
16 premature.

17 But I applaud staff's efforts in always coming up
18 with new ideas for us to consider.

19 Does anybody have any other --

20 BOARD MEMBER PEACE: Well, I'm just wondering, if
21 it sounds like none of us like this, what direction are we
22 going to give to staff? Do we tell them to keep doing
23 this themselves, even though they don't have time or --

24 CHAIRPERSON BROWN: We first have to make a
25 decision on the agenda item going forward. And then I

1 think if there isn't support for it going forward, then we
2 continue the process as it's currently existing, because
3 there isn't a recommendation from the Executive Director
4 to change courses because of staff levels that may be
5 inadequate. We would have to defer that to Mark.

6 BOARD MEMBER PEACE: We need to get a
7 recommendation from him on that.

8 And also where it says they spend all their
9 resources, their extremely limited resources largely
10 dedicated to implementation of this certification program,
11 maybe there's a way we can simplify that also.

12 CHAIRPERSON BROWN: Again, I think that we would
13 have to take that under Mark's direction, and we are
14 currently in a process of evaluating the protocol and how
15 we move forward. But yeah, I think that's probably the
16 next step. I would see that we direct Mark to meet with
17 staff to see where our resources are and then make a
18 decision as to where to best utilize the resources that we
19 have moving forward with ag film, RPPC, and the
20 certification and how we get to the next step.

21 SUPERVISOR LEAON: Madam Chair, if I can make a
22 couple of brief comments. I agree with the statements
23 that Mark Murray alluded to about the lack of consensus
24 among stakeholders about what to do. And we had a meeting
25 last December to talk about a more comprehensive

1 legislative solution. There was absolutely no agreement
2 about how to proceed on that point.

3 By pursuing this collaborative process, it does
4 allow us to continue a dialogue. And the intent of this
5 contract is to come back with some recommendations to you,
6 and the recommendation could be that we don't pursue this
7 any further. But I would hate to see the process stop
8 now. I think there can be some real benefit to continuing
9 with this dialogue at least for the next six months to do
10 this assessment phrase. And I would leave it with that.

11 CHAIRPERSON BROWN: I don't think that anybody
12 believes that we should cease the discussion. I think the
13 question, Mike, is whether it's a valuable utilization and
14 by bringing in an outside facilitator it's going to
15 further that discussion more effectively or whether we can
16 just continue on the process of discussion.

17 You know, George said it himself. We could talk
18 this thing to death and have more and more meetings, and
19 you yourselves said there is no consensus. So my question
20 to you is, why do you think that bringing in CSUS to
21 facilitate these discussions you're going to be any more
22 effective than if we facilitate them ourselves here and
23 maybe engage some of the Board members to participate in
24 the process? I know Rosalie and Gary have been very
25 involved in ag plastic. Have any Board members been

1 engaged or asked to participate in RPPC to help break the
2 log jam?

3 SUPERVISOR LEAON: Well, I believe Rosalie did
4 attend the late February meeting. And we did have a very
5 good workshop last January where we did a brainstorming
6 exercise where we put out what we think are some of the
7 causes for the low collection rate. And I think there was
8 an excellent discussion about what are some of the
9 problems that are causing low collection and what are some
10 possible solutions that we should begin pursuing. At the
11 follow-up meeting in February, we settled on the four
12 targeted focus areas to continue those discussions on.

13 So by bringing Sac State in, we'll continue that
14 process on an interim basis. And I think Sac State will
15 provide excellent facilitation to help keep the dialogue
16 going. And there were times in that meeting where there
17 was some divergence of opinion, and having a facilitator
18 to help us move beyond some of those impasses and keep
19 moving forward in a positive direction.

20 CHAIRPERSON BROWN: Okay. Member Wiggins and
21 then Member Mulé.

22 Pat.

23 BOARD MEMBER WIGGINS: I don't have a question.
24 If we don't do this, what are we going to do? I think
25 because we don't have the clout to do something real, so

1 we need to do what we can. And I don't see any
2 alternative being presented. You know, maybe I don't know
3 about the certification process. But you know, because
4 other folks don't have the guts to pass laws that give us
5 the clout to do what we need to do, we need to do what we
6 can. And so what is the alternative to not doing these
7 workshops?

8 SUPERVISOR LEAON: Thank you for that, Board
9 Member Wiggins. I think that's precisely the point. If
10 we don't do this, then -- staff has been trying to follow
11 Board direction on pursuing this collaborative voluntary
12 approach. But if we don't pursue this, then I think the
13 question is what are we going to do instead?

14 CHAIRPERSON BROWN: Rosalie.

15 BOARD MEMBER MULÉ: Thank you, Madam Chair.

16 First of all, I do want to say staff has been
17 working very hard on this process for the last year and a
18 half. I guess we started in October of '04. And I have
19 been involved particularly on the film plastic issue. And
20 we are making progress with that. We have identified
21 major sources of plastic, and there are wash lines that
22 are coming online. And you know, they're building the
23 collection infrastructure, so we can claim success in that
24 area.

25 On this though, I think that we haven't moved as

1 far as we had hoped with RPPCs. It's a different animal
2 in my mind. I think Gary came up with a solution. And
3 Michael, you yourself had said this may be a short-term
4 fix to dealing with this issue.

5 What I would like to recommend, Madam Chair, is,
6 staff, maybe you can look at how you allocate your time
7 with the interested parties meetings and take that time
8 instead to use it towards this process. So what I'd like
9 to recommend in the interest of wrapping this up is that
10 we choose Option 3 and that we direct Mark and the staff
11 to look at other ways to continue this process. You may
12 have to put it on hold for six months. It's okay. It's
13 okay to do that. In the mean time, I know that Mark
14 Murray and other stakeholders, George, many people are
15 trying to figure out how do we fix the current law? You
16 know, how do we make this a better more workable law? And
17 I think that's, you know, we should really, you know,
18 again put the onus on them to help move that process
19 forward.

20 BOARD MEMBER WIGGINS: That's not going to
21 happen.

22 BOARD MEMBER MULÉ: So that's my recommendation,
23 Madam Chair.

24 CHAIRPERSON BROWN: Can I have a motion?

25 BOARD MEMBER MULÉ: My motion I guess to approve

1 Option 3.

2 BOARD MEMBER PETERSEN: I'll second that.

3 BOARD MEMBER WIGGINS: What does Option 3 mean?

4 CHAIRPERSON BROWN: To not approve this
5 allocation of this contract to bring in CSUS to facilitate
6 this further.

7 BOARD MEMBER WIGGINS: Is that going to be our
8 vote?

9 CHAIRPERSON BROWN: That is the motion.

10 BOARD MEMBER WIGGINS: Because I'd like to make
11 an alternative motion after that.

12 CHAIRPERSON BROWN: That is the motion on the
13 floor at this time. And it's been seconded by Gary
14 Petersen. It's been moved by Member Mulé and seconded by
15 Member Petersen to approve Option 3, which is to not
16 approve the allocation proposal before the Board in Item
17 25.

18 Jennine, can you call the roll?

19 EXECUTIVE ASSISTANT HARRIS: Danzinger?

20 BOARD MEMBER DANZINGER: Aye.

21 EXECUTIVE ASSISTANT HARRIS: Mulé?

22 BOARD MEMBER MULÉ: Aye.

23 EXECUTIVE ASSISTANT HARRIS: Peace?

24 BOARD MEMBER PEACE: Aye.

25 EXECUTIVE ASSISTANT HARRIS: Petersen?

1 BOARD MEMBER PETERSEN: Aye.

2 EXECUTIVE ASSISTANT HARRIS: Wiggins?

3 BOARD MEMBER WIGGINS: No.

4 EXECUTIVE ASSISTANT HARRIS: Brown?

5 CHAIRPERSON PETERSEN: Aye.

6 Let me just -- I think, Mark, we would like to
7 see this process move forward in some fashion or have a
8 recommendation from you about how to continue the process
9 without the approval of this item. I don't think it's the
10 Board's intention to not continue the process that the
11 staff is undergoing, maybe look at better utilization of
12 our staff resources.

13 EXECUTIVE DIRECTOR LEARY: Understood, Madam
14 Chair.

15 CHAIRPERSON BROWN: Cheryl.

16 BOARD MEMBER PEACE: When you talk about better
17 utilization of staff resources, can you also give us a
18 recommendation? It seems like we have this RPPC law that
19 we baby the companies through this every year, and they
20 should know exactly what's expected of them by now. And I
21 think our staff spends a lot of time on that. So maybe we
22 can get a recommendation as to, you know, how do we
23 shorten that up so staff is not spending so much of their
24 time on the certification process to begin with and maybe
25 they'd have more time to do something else.

1 And then also didn't we have an MOU, Memorandum
2 of Understanding, that we were going to work with the
3 plastics people, and if they didn't come to some
4 understanding that we were going to go to the
5 Legislature --

6 CHAIRPERSON BROWN: That's the trash plastic --

7 BOARD MEMBER PEACE: Is that just in terms of the
8 film plastic, that wasn't --

9 EXECUTIVE DIRECTOR LEARY: It was just the film
10 plastic.

11 CHAIRPERSON BROWN: That's trash bag.

12 That ends the Board agenda.

13 Do we have any other Board comment? The Board
14 will move into closed session at this time. So we will
15 adjourn to closed session. Thank you all for your
16 participation.

17 (Thereupon the California Integrated Waste
18 Management Board, Sustainability and Market
19 Development Committee recessed into closed
20 session at 3:24 p.m.)

21 (Thereupon the California Integrated Waste
22 Management Board, Sustainability and Market
23 Development Committee Adjourned at 4:05 p.m.)

24

25

1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing hearing was reported in shorthand by me,
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the
8 State of California, and thereafter transcribed into
9 typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 30th day May, 2006.

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